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# Bush Seeks New Troop Cuts in Europe

## *Plan Would Trim Soviet and U.S. Forces to 195,000 Each*

*Compiled by Our Staff From Dispatches*

WASHINGTON — President George Bush will propose new cuts in U.S. and Soviet troop levels in Europe.

An administration official, who briefed reporters on the condition he remain anonymous, said Mr. Bush would propose late Wednesday that the United States and the Soviet Union cut troop levels in Central Europe to 195,000 on each side.

Details of the cutbacks were in the president's State of the Union message, which he was delivering Wednesday night.

Under the proposal, the United States would keep up to 30,000 additional troops in Britain, Italy and Turkey, resulting in a total of 225,000 American troops in Europe.

Last May, Mr. Bush proposed a 275,000 ceiling on U.S. and on Soviet forces in Europe and said negotiations to reach that goal should be wrapped up within a year. The 1989 proposal, still under negotiation, would require the United States to withdraw 30,000 combat troops and force the Soviets to reduce their troop numbers by about 325,000.

Mr. Bush called President Mikhail S. Gorbachev of the Soviet Union earlier Wednesday and discussed mainly arms control issues, the White House said.

The White House spokesman, Marlin Fitzwater, said there was no "direct" discussion of rumors Mr. Gorbachev was considering resigning his party leadership, rumors the Soviet leader denied Wednesday.

The spokesman would not elaborate except to say, when asked if the rumors had been discussed by the two, that the president told him, "There was no direct discussion of that."

Mr. Fitzwater refused to disclose details, but confirmed that Mr. Bush's speech would deal in part with arms control.

Mr. Bush repeatedly has cautioned that there would be no immediate budgetary "peace dividend" of military savings from the changes in Eastern Europe. The administration official said the deeper troop reductions would not affect that position, since any cutbacks would have to be negotiated.

"We're still negotiating the 275,000 level," he said. "This is not an instantaneous process."

The reduction plan was the ma-

See TROOPS, Page 4



Reuters

Asked whether he planned to quit his party post, Mr. Gorbachev said, 'I have no intention of doing so.'

# Gorbachev Asserts Control

## *He Calls Report Of Resignation Plan 'Groundless'*

By Francis X. Clines
*New York Times Service*

MOSCOW — President Mikhail S. Gorbachev, asserting his control, denied on Wednesday a report that he might resign as Communist Party leader, saying it was the sort of "groundless" invention that typically preceded important party leadership meetings like the critical one next week that will focus on the party's future.

Earlier, President George Bush called Mr. Gorbachev, the White House said. Officials said there was no direct discussion of the reports of Mr. Gorbachev's resignation from the party post.

The report that Mr. Gorbachev was considering resigning as party chief while retaining his post as Soviet president was broadcast on Tuesday by the U.S.-based Cable News Network.

"I have no intention of doing so," Mr. Gorbachev said, when asked about the report during a photo session at the start of a Kremlin meeting with President-elect Fernando Collor de Mello of Brazil.

"No one has said this, and I certainly didn't make any such statement," he said. "Any such suggestions are groundless."

Mr. Gorbachev's smiling denial dominated the main Soviet television news program on Wednesday evening, even as change-minded liberals in the party began lobbying for more rapid democratization.

Interest was clearly heightening in a two-day plenary session of the party's policy-making Central Committee. At the plenum, which opens Monday, Mr. Gorbachev is expected to face conservative criticism over the country's continuing economic failure and separatist agitation in the Soviet republics.

The plenum is to set the agenda for a major party congress due in October, and political pressures on the Soviet leader are already growing from left and right.

Mr. Gorbachev is retaining his preferred centrist position, urging change and gradually facing the question of possibly retreating from the constitutional monopoly that the party still maintains over Soviet government and politics.

He previously said that the October congress of 5,000 party delegates might consider the question of the Communist monopoly on power. But he has also sought to assure conservatives that the party, while working to become more democratic, deserves its place of preeminence.

One voice of the liberal minority, Alexander Drosdov, editor of the newspaper Komsomolskaya Pravda, urged in a front-page editorial Wednesday that Mr. Gorbachev push harder to end the "fake unity" of the party and become more of a national executive mediating the country's many political and social problems.

The newspaper argued that the Soviet Union should not "risk Gorbachev" just because he inherited such a "heavy ideology legacy" in the party post.

In much the same way that Western politicians finesse complex political situations, Mr. Gorbachev was smiling affably at the Kremlin photo session, fielding a question

See SOVIETS, Page 4

# *The U.S. Budget: Toothless Sound Bite?*

By Paul Blustein
*Washington Post Service*

WASHINGTON — U.S. savings and investment rates are at abysmally low levels. American children are not getting the education they need to become "fully productive citizens." The government faces huge, hidden costs in the future.

These gloomy assessments can be found in President George Bush's new budget. The document, which was submitted to Congress on Monday, contains a surprising number of figures and statements suggesting that the United States faces serious long-term problems.

But a wide gap separates the rhetoric of Mr. Bush's budget from the substance of his proposals, several analysts say. The fiscal 1991 blueprint, they add, offers little in the way of significant initiatives to address the problems it cites.

Carol Cox, president of the Committee for a Responsible Federal Budget, a bipartisan group of former policymakers, said, "The rhetoric in the budget focuses on the future, but the substance of the budget does very little to meet any of the needs that Darman identifies, whether it be the U.S. savings rate, or whether it be our problems in education or drugs."

She was referring to Richard G. Darman, the director of the Office of Management and Budget.

In particular, Ms. Cox and other analysts said, the budget offers little evidence that Mr. Bush is prepared to make a major assault on the federal deficit, despite language and figures in the document suggesting that the country's long-term prospects depend on a major reduction in government red ink.

Instead, critics said, the first budget drafted entirely by the Bush administration essentially is a recycled version of Reagan administration budget proposals that relies on optimistic economic assumptions, spending cuts that Congress repeatedly has rejected, and a smattering of accounting gimmicks.

Rudolph G. Penner, a Republican and former head of the Congressional Budget Office, said the budget's lack of boldness was disappointing in light of the document's vividly worded introductory essay by Mr. Darman.

The essay warns that $25 billion to $50 billion a year may be required in the future to pay for "hidden Pac-Men," such as exploding health-care costs and the potential need for more federal bailouts.

"I guess the best connotation you can put on it is that Darman's essay, by drawing attention to the problem, is trying to break the log-jam over the deficit a little bit," Mr. Penner said, referring to White House and congressional differences on the issue.

"A better way of doing that would have been to put forward a more dramatic set of budget proposals," he added. "But then, I guess if he had done that, President Bush wouldn't get re-elected."

Mr. Darman's essay is not the only part of the budget offering evidence that the United States is in trouble. The same is true of a section on saving and investment, which highlights the country's poor performance in recent years.

The figures are stark: In one chart, U.S. net saving is shown to have fallen from more than 7 percent of the economy in the 1960s and 1970s to about 3 percent in the 1980s.

Another chart shows that of the seven largest industrial countries, the United States ranks last in its net saving rate, or about one-fifth that of Japan.

"Increased domestic saving is of major importance for promoting higher rates of growth and an improved standard of living," the document says. Only if Americans save more, it adds, will the United States be able to free itself from an excessive reliance on foreign money.

Although Mr. Bush offers several proposals for increasing saving,

See BUDGET, Page 4

## Kiosk

### Shares Surge On Wall Street

NEW YORK (UPI) — Wall Street stocks surged Wednesday, ending a five-day string of losses.

The Dow Jones industrial average surged 47.30 points to close at 2,590.54, its sharpest rise since a 56-point burst on Jan. 2 sent the index to an all-time high.

The rally was fueled by a rebound in bond prices after their steep January declines. Especially heartening to investors was the fact that bonds gained despite a U.S. government report showing that the index of leading economic indicators, a gauge of future U.S. economic activity, rose 0.8 percent in December. Economists had expected a smaller rise.

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**General News**

The Japanese parties agreed to an open debate before the Feb. 18 elections. Page 2.

Vice President Quayle's Latin trip seemed to widen the gap over Panama. Page 3.

**Health / Science**

Mary Carpenter examines the widely differing approaches to the use of antibiotics. Page 8.

**Business / Finance**

Durable goods orders rose sharply in the U.S., pushing the index of leading economic indicators up 0.8 percent in December. Page 13.

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Dow Close
Up 47.20
2,590.54

**The Dollar** In New York

| | |
|---|---|
| DM | 1.6885 |
| Pound | 1.6775 |
| Yen | 144.55 |
| FF | 5.7325 |

# Bonn Lauds Gorbachev's Shift

## *Genscher Assures Soviets NATO Won't Expand Eastward*

By Marc Fisher
*Washington Post Service*

BERLIN — West German political leaders across the spectrum said Wednesday that German reunification had won its most powerful and important endorsement when the Soviet president, Mikhail S. Gorbachev, asserted that a single Germany was not in doubt.

Chancellor Helmut Kohl said Mr. Gorbachev, in comments on Tuesday, had recognized the historic changes in East Germany and had realized that, after more than 40 years of Soviet opposition to a single Germany, reunification was now inevitable.

"Now we have to work in trust with all our neighbors in East and West for a constructive solution of the German issue that takes account of all sides' justified security interests," Mr. Kohl said, according to his spokesman.

The difficult political process of creating a single German state acceptable to the superpowers and the other major European countries was underlined as West German and Soviet officials spelled out their objections to the U.S. insistence — stated in December by Secretary of State James A. Baker 3d — that a reunited Germany be a member of the North Atlantic Treaty Organization.

Mr. Kohl has avoided any making extensive statement on the issue beyond repeating that West Germany is firmly committed to NATO membership.

But Foreign Minister Hans-Dietrich Genscher, in a speech near Munich, said Wednesday that "whatever happens to the Warsaw Pact, there will not be an extension of NATO territory eastward, closer to the borders of the Soviet Union."

"These security guarantees are important for the Soviet Union and its behavior," he said.

Mr. Genscher said West Germany would certainly remain in NATO, but he sought to allay Soviet concerns about Western troops being stationed in what is now East Germany.

The Soviet ambassador in Bonn, Yuli A. Kvitsinsky, called the idea of a united Germany in NATO "illusory." The Soviets have about 380,000 troops stationed in East Germany.

A former West German chancellor, Willy Brandt, said a united Germany could not belong to a military NATO alliance.

"The entire Germany in NATO is, I believe, nonsense," he said. Instead, he recommended that West Germany remain in NATO and that East Germany be granted a "special status."

Mr. Kohl's center-right coalition also expressed skepticism that East Germany could be absorbed into NATO in its existing form.

"It's conceivable that no NATO troops would be stationed on the territory of present-day East Germany," said Michaela Geiger, spokeswoman for the governing Christian Democrats. "Maybe even a limited contingent of Soviet troops could stay there for a certain transition period."

Some West German officials said privately that they were relieved that Mr. Gorbachev's statement Tuesday recognized the inevitability of unification without proposing that the new Germany be required to be neutral.

"That is the worst thing that could happen," a Bonn official said, "because it could be a very popular concept in both Germanys, and then we are in a very difficult position, because this government is absolutely committed to NATO and the West."

"The option of a neutralized Germany is out," Miss Geiger said. "It could become a football to be kicked around by rival power interests."

She warned that unification cannot be achieved as quickly as many East Germans might like.

Although Mr. Gorbachev's state-

See GERMANY, Page 4



Laszlo Balogh/Reuters

An ethnic Albanian hurling a tear-gas grenade back at police Wednesday in Podujevo, Yugoslavia.

# PLO to Ask Soviet Aid To Curb Jewish Influx

*Compiled by Our Staff From Dispatches*

TUNIS — The Palestine Liberation Organization wants the Soviet Union to reintroduce transit camps in Europe for Jewish emigrants, a PLO official said on Wednesday.

Suleiman Najab, a member of the PLO executive committee, urged that the Soviet Union not allow direct flights from Moscow to Israel and asked that it seek firm guarantees from Israel that Jewish emigrants would not settle in the West Bank and Gaza.

He said the organization would put the demands to a Soviet envoy, Gennadi Tarasov, who arrived in Tunis on Wednesday for talks with the PLO on the exodus of Soviet Jews to Israel.

Israel expects 50,000 to 100,000 Soviet Jews to arrive this year and up to 750,000 over the next five to six years.

The Soviet Union plans to discuss, with the four other permanent members of the UN Security Council, its fears that Soviet Jews emigrating to Israel are being settled in occupied Arab territories, the Arab League ambassador to Moscow said.

The ambassador, Moncef May, said that Soviet officials had told him that although the government did not plan to alter its emigration policy, it might halt plans for direct Moscow-Tel Aviv flights.

Mr. May said he attended a meeting on Monday when First Deputy Foreign Minister Yuli M. Vorontsov briefed Arab ambassadors on Moscow's response to remarks by Prime Minister Yitzhak Shamir of Israel.

Mr. Shamir had said that a "greater Israel" was required to absorb between 40,000 and 100,000 Soviet Jews expected to immigrate this year — a remark criticized by U.S. officials as well as Arabs.

The exodus has concerned Arabs and Palestinians who fear that the influx of the Soviet Jews would change the population balance in the occupied territories.

Arab spokesmen say that Washington has compounded the problem by restricting its intake of Soviet Jews to 50,000 a year. Israel is the only country willing to take the rest.

The main transit camps in the past have been in Austria. Most of the Jews who passed through chose to go to the United States. Soviet officials said the new emigrants would also go to Western countries if they had the choice.

Mr. Najab, who is leader of the Palestinian Communist Party, said

See PLO, Page 4

# *Bucharest Fast Lane Hustles to Catch Up*

By David Binder
*New York Times Service*

BUCHAREST — Life in this capital's hotels and restaurants has changed in some important respects since a national uprising ousted the long-ruling Communist government, but not in every way.

The biggest change is that Romanians feel free to congregate in the places frequented by foreign visitors, to meet and talk with foreigners and to gather among themselves.

All that was treated as worthy of reporting to the secret police by a huge network of informers under Nicolae Ceausescu, whose Communist dictatorship was overthrown five weeks ago.

But the new freedom has also brought swarms of prostitutes, black-market money-changers and hawkers of Danube sturgeon caviar to the elevators and floors of hotels like the 22-story Inter-Continental, the sprawling Bucuresti and other, older establishments.

Prostitution in the capital's hotels is not new; prostitutes dared to ply their trade at the venerable Athenée Palace even in the Ceausescu years. But they have become more aggressive, assembling by the dozens in hotel bars and restaurants, accosting single men and even men accompanying women, pinching elbows, pulling on sleeves, demanding, "Give me your room number."

Recently, there was a 4 A.M. knock on a door at the Inter-Continental. The groggy guest went to the door and found himself confronting a slender young woman in a tight black silk dress and black fishnet stockings.

"I want a light," she said in passable English, brandishing a cigarette. "I am not a prostitweet," she continued, "I am a ballerina." She kicked up her heels to make the point.

There was knocking on the door again at 5 A.M., and at 6 and at 7, presumably from the same woman. The guest did not respond.

**The biggest change is that Romanians feel free to meet and talk with foreigners and to gather among themselves.**

The money-changers and caviar pushers are less aggressive but no less insistent.

The changers offer to sell lei, the national currency, at up to six times the official rate for hard currency. The official rate is nine lei to $1.

Caviar goes for less than half the official price.

The Inter-Continental, next to University Square on the city's main north-south axis, seems to be the favorite concourse of the newly free Romanians.

Its four creeping elevators are almost always full, and the lobby is jammed with uniformed soldiers and policemen with their weapons, sleeping peasant women in the plush armchairs, students, leaders of small new political parties and a steady stream of foreign visitors, high and low.

Princess Margarita and Princess Sophie of the Romanian royal family stayed there recently. So did Rupert Murdoch, the media entrepreneur.

The hotel, whose gypsy band is mediocre and whose food leaves some guests ill, is gradually recovering from the tribulations of the popular insurgency. For instance, plate-glass windows smashed by bullets are being replaced.

At the Athenée Palace, once considered among Central Europe's most splendid hotels, the damage from machine-gun and cannon fire is much heavier; it stands kitty-corner to the royal palace, which suffered some of the heaviest damage in the fighting five weeks ago. Still, the now dimly lighted, down-at-the-heels hotel is full of guests, mostly Romanians.

Some of Bucharest's best restaurants are also enjoying the new liberty and are full, although only a quarter of the dishes listed on the menus are available.

But Capsa still serves delicious cuisine like meatballs in tarragon sauce and the waiters are superbly trained. The same is true of the Casa Lido, where the pike-perch dishes are beautifully prepared and where musicians play the gypsy torch songs of Maria Tanase, the Romanian equivalent of Edith Piaf, who was famous in the 1930s and '40s.

Only Cina, the garden restaurant opposite the royal palace, was forced to close, a victim of a late December crossfire between the army and the secret police. Under the Ceausescu regime, waiters sold food from the restaurant's supplies to citizens who could not find anything in the grocery stores.

# Belgrade Orders Steps To End Kosovo Clashes

*Compiled by Our Staff From Dispatches*

BELGRADE — Five more ethnic Albanians were reported killed Wednesday in Yugoslavia's Kosovo province, and the federal presidency said it had ordered special measures to prevent "bloody inter-ethnic confrontations."

As the Albanian protests in Kosovo continued for the eighth day, the official Tanjug news agency said three persons were killed in the town of Glogovac and reporters on the scene said a fourth person had also been killed there.

Its said that Kosovo appeared to be "on the verge of civil war."

Yugoslav television said the police also shot and killed a protester in the town of Stanovac.

"The situation in Kosovo is deteriorating and threatens to lead to bloody inter-ethnic confrontations," the eight-man collective presidency said in a statement carried by Tanjug news agency.

Without specifying the steps to be taken, the presidency, the country's highest constitutional body, said it had ordered measures "to protect the peace and security of inhabitants of villages" threatened by the ethnic clashes.

Tanjug says 15 persons have been killed since the ethnic Albanians, the majority in Serbian-ruled Kosovo, took to the streets last week demanding political changes. Reporters in the southern province say about 26 have been killed.

The ethnic Albanians want free elections, the resignation of the province's leaders and the release of political prisoners.

Reporters in Kosovo did not immediately know of any new measures to curb the unrest.

Action to end disturbances in Kosovo last March included army patrols on major roads, a night curfew and a ban on movement by groups of more than three people.

In a growing backlash to the Albanian protests, tens of thousands of Yugoslavs demonstrated in Montenegro and Serbia to demand an end to the Kosovo violence.

Belgrade television showed footage of a gigantic rally in Titograd, capital of the Montenegrin republic, where up to 100,000 Slavs, some shooting into the air, choked the streets Wednesday.

One speaker said Montenegrin volunteers were signing up to fight ethnic Albanians in Kosovo unless the authorities used "all available methods, including repression" to end "the Albanian uprising."

The sound of gunfire could be

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# Diplomats Discount Protests in Albania But Detect Anxiety

By David Binder
*New York Times Service*

BONN — Western diplomats and people who have traveled recently in Albania are discounting reports of anti-Communist demonstrations in the north.

But they cite signs that Albania has grown concerned that the democratic tide rolling through Eastern Europe may yet threaten Europe's last Stalinist regime.

The reports of unrest in the isolated country of 3.2 million people came mostly from neighboring Yugoslavia, where as recently as last Friday claims were circulating that thousands of protesters took to the streets of Shkoder, a city of 50,000 people, on Jan. 11 and Jan. 14.

One report by Tanjug, the official Yugoslav press agency, said four Albanian defectors who crossed into Montenegro last week had described the demonstrations to Yugoslav security officers.

But a Western diplomat who spent most of Jan. 11 in Shkoder said there had been no indications of disquiet there, adding that there were no crowds nor unusual numbers of security policemen in evidence.

In recent months, Albanians who live along the country's borders have been able to follow television and radio reports on the fall of Communist regimes in East Europe.

Although dismissing the reports of demonstrations, Westerners in Tirana, the capital, and other cities noted the authorities' almost panicked insistence on declaring that all was well.

In a speech on Jan. 12, Foto Cami, a member of the Politburo, denounced as "slander" Western press reports of unrest and a security crackdown.

Western diplomats in Tirana, citing accounts from Western travelers who have visited various regions of Albania in the last three weeks, said that according to available information no public demonstrations against the Alia regime had occurred in January.

Another likely cause for nervousness in Tirana is an apparently renewed rivalry between Mr. Alia and Nexhmije Hoxha, the widow of Enver Hoxha.

Mr. Hoxha, Mr. Alia's predecessor, ruled Albania for four decades until his death in 1985.

Mrs. Hoxha, 69, is still a power in Albanian politics and has fiercely guarded her husband's legacy since his death.

Through her position as director of the Institute for Marxist-Leninist Studies, she retains influence over the Communist Party's cadres and especially the Sigurimi, the state security police.

She has reportedly criticized Mr. Alia's desire to introduce Western concepts in Albania's economy.

Last week, at a two-day session of his party's Central Committee, Mr. Alia spoke gingerly of considering the introduction of supply-and-demand criteria and of wages being structured according to performance.

Mr. Alia protected his ideological flanks, however, by declaring at the same time that his country's "internal situation is solid" and that Albania could not accept a multiparty system "because it is not an expression of democracy but rather a means of weakening our national unity and destruction of socialism."



Pierre Gleizes/The Associated Press

Bucharest residents strolling Wednesday past a line of tanks guarding the seat of government at Victoria Palace, site of recent protests.

# Foes Wary on Romanian Front's Offer

*Compiled by Our Staff From Dispatches*

BUCHAREST — Major opposition parties reacted warily Wednesday to the provisional government's offer to share power and establish a separate political organization to represent it in this nation's first free postwar elections.

The decisions of the National Salvation Front on Tuesday came amid calls from opposition parties and intellectuals that the provisional government, ruling by decree, become more democratic.

Criticism of the Front has also mounted among potential Western aid donors, including the United States, which has increased the pressure to resolve Romania's continuing power struggle.

The move appeared to be destined to allay growing disquiet in the opposition, echoed by Washington, that the Front might betray the ideals of the December revolution and retreat to the old practices of the country's totalitarian era.

Richard Schifter, assistant U.S. secretary of state for human rights, ended a two-day visit on Wednesday. A U.S. Embassy statement on Mr. Schifter's visit said that during his talks he had "emphasized the need for the democratic processes made possible by the revolution to move ahead".

It was unclear how the Front intended to establish itself as a separate political force outside the executive bodies.

According to its own decrees on political parties issued earlier in January, it would have to reregister as a party with the Bucharest municipal court. But there has been no announcement on whether the Front has yet done so.

The National Liberal Party said the move by the Front did not answer its objections because the Front would still be running the government and participating in the May 20 elections.

The other major opposition party, the National Peasant Party, which claims some 260,000 members, charged that if the Front wins, it will establish another Communist dictatorship "with a human face."

"This is illegal," said the Liberal spokesman, Nicolae Enescu. "We asked the Front to transform itself into a political party.

"If it takes part in elections and represents the interests of the state, it seems like a dictatorship again."

Mr. Enescu, 78, is a lawyer who spent 15 years in prison for opposing the dictatorship of Nicolae Ceausescu, who was deposed and executed in December.

The Front, which assumed power after the Ceausescu overthrow, said Tuesday that it had split in two. It created a provisional national council which would run the country until elections, in tandem with the nation's other political parties, and would convert the Front into a political group that would field candidates.

Opposition groups accuse the Front, a loose grouping of intellectuals, technocrats and former Communists, of reneging on its word to run the country only until elections, of refusing to share its access to the press and other misuse of power.

Intellectuals and other foes of the Front argue that it has an unfair advantage in the balloting it will also administer. Some say that it supports a return to one-party rule. *(A.P., Reuters)*

# Party Split Rebuffed By Sofia Opposition

By Jonathan C. Randal
*Washington Post Service*

SOFIA — Bulgaria's fledgling change-minded Communists made it clear on Wednesday that they will remain inside the Communist Party congress rather than split the ranks of one of Europe's oldest Marxist political organizations.

Their decision reflected potentially significant concessions by the hard-line Communist majority as the price for maintaining formal unity at the second day of the party's 14th special congress.

The advocates of change succeeded in imposing draft party statutes guaranteeing the right of minority factions and opinions within a monolithic organization dominated for 35 years by Todor Zhivkov, who was removed in November.

Four representatives of various change-minded currents inside the party confirmed their willingness to compromise on Wednesday. Earlier, a party spokesman predicted that "we all will leave the building by the same door."

The reformers' stand represented a victory of sorts for the party leader, Petar Mladenov, who served 18 years as Mr. Zhivkov's foreign minister before masterminding his mentor's overthrow.

Faced with an old party membership — and with a majority of delegates dedicated to orthodox Marxist centralized control — Mr. Mladenov and his team wanted to avoid the zeal of the change-minded Communists who played major roles in ending party control elsewhere in Eastern Europe in the last few months.

Nonetheless, Mr. Mladenov's right-hand man, Alexander Lilov, warned the more than 2,700 delegates that Bulgarian Communists must adopt a "democratic humane socialism" or meet the same fate as those in Czechoslovakia, East Germany and Poland, "not to mention the Romanian Communists."

But with Bulgaria's first free elections in more than 40 years set for May, the Communists' "time of political and ideological complaisance is over," he said.

Despite the compromise, change-minded and orthodox Communists at the congress exchanged pointed insults — often at the leadership's expense — in what one delegate called "a bitter struggle within the party" for "its own survival."

Stefan Prodev, a pro-change editor recently elected head of the official Journalists' Union, warned that the party could regain public confidence only by abandoning the "dogmas of a harmful ideology" that he said were favored by most of party members.

Another like-minded delegate castigated the party for "paying lip service to change without changing anything."

He accused the current leadership of manipulating the press and warned that "the reality is that life remains anemic, the workers are indifferent and problems are unsolved."

The congress is due to end Thursday with the election of new leaders. Mr. Mladenov, who announced that henceforth the office of president and party secretary general should not be split, was expected to step aside from the party post.

Andrei Lukanov, his top aide, who has conducted negotiations with new non-Communist groups that have sprung up since November, was reported to have taken himself out of the running to succeed Mr. Mladenov.

# Japan Parties to Debate Before Election

By James Sterngold
*New York Times Service*

TOKYO — For the first time in 30 years, Japan's major political parties have agreed to face each other in an open debate before an election.

The agreement reflects what many here have described as the vacuous nature of past political campaigns and the importance of the current one.

The debate is to be held Friday under the auspices of the Japan National Press Club.

The heads of the five leading parties in the election, to be held Feb. 18, will take part, but the rules for the televised discussion have yet to be worked out.

Editorial writers and political commentators applauded the announcement, which follows a year of scandal that forced two prime ministers to resign.

But the announcement still did not erase the growing cynicism many Japanese feel toward an election that could prove to be one of the most important in decades.

In an editorial this week, Asahi Shimbun, a daily newspaper, described the lack of such debates in the past as "a dereliction of duty."

Taking part in the debate will be the governing Liberal Democratic Party, a conservative grouping; the Japan Socialist Party, which scored a major upset in denying the Liberal Democrats a majority in upper house elections last summer; the Japan Communist Party; the Democratic Socialist Party; and the centrist Clean Government Party.

The governing party agreed to take part after being heavily criticized for the way it dissolved the lower house last week. Prime Minister Toshiki Kaifu announced the dissolution before he delivering a major policy address or facing questioning on some of the party's unpopular programs.

There has been much criticism of a 3-percent sales tax the Liberal Democrats enacted last year.

Farmers, a powerful interest group, were angered by recent suggestions from the Ministry of International Trade and Industry that Japan end its ban on rice imports.

Partly because of concern on those issues and partly because of lingering distaste over the influence-peddling and sex scandals of the last year, the Liberal Democratic Party risks losing its absolute majority in parliament for the first time in 35 years.

Under pressure to demonstrate that it was not running away from the issues, the party's elders decided to take a step that has been avoided since November 1960, and take part in the debate.

While welcomed, the move still left many looking for ulterior motives.

"There is something distinctly fishy about the Liberal Democratic Party passing up a chance to air the issues in the nation's highest legislative body and then turning around with a proposal for a televised debate," Asahi Shimbun wrote in its editorial.

In the past, the Liberal Democratic Party had resisted because it feared that the opposition parties would gang up on it.

The weight of history lies heavily on the debate. The last such confrontation, in 1960, occurred just a month after Inejiro Asanuma, chairman of the Socialist Party, had been stabbed to death by a rightist after another debate.

# Enigma's F. W. Winterbotham Dies

*The Associated Press*

LONDON — Frederick W. Winterbotham, 92, who played a key role in exploiting broken German codes in World War II and wrote the best-selling memoir "The Ultra Secret," died Sunday of natural causes.

Mr. Winterbotham was a pilot in World War I, and in 1929 was made head of aerial intelligence in MI6, the British agency.

In the 1930s he managed to befriend senior Nazi figures in Germany and glean information about the Luftwaffe. In 1939 he helped devise a vital new method of aerial reconnaissance photography.

His most important work was with Enigma, the top-secret German code system that the British had managed to penetrate. Mr. Winterbotham's job was to get the information from Enigma to commanders in the field without revealing to the Germans their code had been cracked. His work was so secret it was not revealed until 30 years after the war.

### Arnaud d'Usseau, 73, Wrote for Film and Stage

LOS ANGELES (AP) — Arnaud d'Usseau, 73, a Broadway playwright and Hollywood screenwriter who was blacklisted after a heated confrontation with Senator Joseph McCarthy, died Monday of complications of surgery for stomach cancer in New York City.

The author of such plays as "Tomorrow the World" and "Deep Are the Roots" was brought before McCarthy in 1953 as the senator investigated Communist influence in the film industry. Mr. D'Usseau refused to answer questions. After his blacklisting, he wrote films under pseudonyms. His last play, "Bledsoe," is being readied for a Broadway opening.

### Hal Draper, 75, Socialist Writer

*New York Times Service*

Hal Draper, 75, a scholar and writer on Marxism and socialism for 50 years, died of pneumonia Friday in Berkeley, California.

Mr. Draper, a Trotskyite who later termed himself an independent socialist, wrote full time after serving as a librarian and bibliographer for the University of California at Berkeley from 1960 to 1970. His works were credited with inspiring the nonviolent free speech movement of the 1964-65 protests, which began a period of campus activism throughout the country.

Mr. Draper, a veteran of student insurrection in the 1930s, recounted the later protests in "Berkeley: The New Student Revolt" (1965).

■ *Other deaths:*

**Chesley Peterson**, 69, a flying ace in World War II, Sunday in Riverside, California, from heart and lung disease. In 1940, he went to England to join the Eagle Squadron, a group of foreign volunteers. He advanced to squadron commander at 21 and colonel at 23. He kept the rank when he moved to the U.S. Army Air Corps. In more than 200 missions, he claimed nine kills and nine probable, twice parachuting from damaged Spitfires.

**Mirza Abdul Baqi Beg**, 55, a physicist whose theoretical work helped establish the quark model, Tuesday of a heart attack in New York. His work helped verify the modern quark model of hadron structure, which describes hadrons — nuclear particles like protons and neutrons — as being composites made up of smaller entities called quarks.

**Julia Davis Stuart**, 79, a former president of the League of Women Voters of the United States, on Saturday in Spokane, Washington.

## Rights Abuses Up in Guatemala

*Reuters*

GUATEMALA CITY — Guatemala's human rights attorney, presenting his annual report to the legislature, said that human rights abuses and violence had increased in the country in 1989.

"No one," the report said, "can deny the fact that violence has increased and that forced disappearances and extrajudicial killings continue without resolution by the authorities."

The human rights office was asked to intervene in 2,974 cases last year, up from 1,181 in 1988, according to the report, which was presented Tuesday by Ramiro de Léon Carpio. Ten university student leaders were kidnapped and killed and a well-known politician was assassinated during a wave of violence last summer.

## Beijing Honors Forces For Tibetan Repression

*Reuters*

BEIJING — Chinese authorities in Tibet held a mass ceremony on Jan. 17 to award more than 400 medals to policemen and soldiers who suppressed repeated demonstrations by nationalists, an official report said.

The ceremony was held in Lhasa, where Buddhist monks have staged violent protests since September 1987, demanding independence. Security forces have opened fire on several occasions, killing scores. Martial law was imposed on Lhasa and thousands of troops brought in last March after three days of riots.

## Ankara Protests On Greek Policies

*The Associated Press*

ANKARA — Foreign Minister Mesut Yilmaz protested what he called the oppression of the Turkish Muslim minority in Greece in a letter sent to the secretaries general of the United Nations, NATO and the Islamic Conference Organization, the Foreign Ministry said Wednesday.

The ministry said that unless Athens changed its policies, there could be more unrest involving Turkish Moslems in Greece. "We are pleased to note that calm has settled over Komotine," said a spokesman, referring to the northeastern Greek town where Greek Christians and Muslims clashed.

The clash followed the sentencing of two members of the Turkish minority to 18 years in prison for distributing election campaign fliers addressing the minority community as Turkish-Muslim.

# WORLD BRIEFS

## Rival Christian Forces Fight in Beirut

BEIRUT (Combined Dispatches) — Christian forces battled each other with tanks and artillery in the streets of East Beirut on Wednesday, and some shells fell on the Moslem West, killing at least seven people.

General Michel Aoun's forces claimed the first victories in a day of fighting, saying his side had captured three barracks of the Lebanese Forces militia and that many militiamen had surrendered. General Aoun's 20,000 soldiers were trying to gain full control of the 310-square-mile (800-square-kilometer) Christian zone, where one million people live.

The Lebanese Forces said its troops seized one of General Aoun's barracks, destroyed several army batteries and captured 50 troops in mountain's northeast of Beirut. The police reported scores of casualties, and a nurse described a morgue "packed" with bodies. Many wounded civilians lay unaided in the streets, cut off from help by the intensity of the shooting. *(Reuters, AP)*

## Blaze Leaves British Ferry Stranded

LONDON (AP) — Fire broke out on Wednesday in the engine room of a ferry carrying 258 passengers and crew across the Irish Sea, causing no injuries but leaving the vessel stranded off Wales, the coast guard said.

Firefighters airlifted to the ferry brought the blaze under control, the coast guard said. But the St. Columba, owned by Sealink U.K. Ltd., was stranded in gale-force winds 10 miles (16 kilometers) off the northwestern tip of Wales, waiting for a tug boat to tow it to the port of Holyhead.

Sealink said that there were no injuries and that passengers would remain on board rather than be evacuated by helicopter. "There is no danger to passengers or anyone on board," a Sealink spokesman said. The ferry left Dunlaoghairem, Ireland, Wednesday morning for the journey across the Irish Sea.

## Glemp Seriously Ill After Surgery

WARSAW (Reuters) — Cardinal Jozef Glemp, the Roman Catholic primate of Poland, was reported to be seriously ill Wednesday after two emergency operations for bleeding ulcers.

Cardinal Glemp, 60, who has led the Polish church through a turbulent decade of political change, was conscious but under intensive care at the Brodno hospital in Warsaw, medical sources said.

The cardinal was rushed to the hospital on Tuesday morning with internal bleeding, a priest at his residence said. He underwent surgery on Tuesday and again during the night. The official press agency PAP said top Polish surgeons were summoned to perform the operations. President Wojciech Jaruzelski visited the cardinal during the night.

## Former Governor of Guam a Suicide

AGANA, Guam (UPI) — Ricardo J. Bordallo, the former governor who was to begin serving a prison sentence, wrapped himself in Guam's flag, chained himself to a statue on a main road and fatally shot himself in the head on Wednesday, the police said.

Mr. Bordallo, 62, was to have left Wednesday night for California to begin a three-year term after being convicted in February 1987 for extorting campaign contributions, bribery and related charges while he was governor of the unincorporated U.S. territory in the South Pacific.

Mr. Bordallo, a Democrat, was elected to four-year terms in 1974 and 1982; his U.S. federal indictment came as he sought a third term, and he subsequently exhausted all avenues of appeal. He maintained that he was subject only to the laws of Guam and that the federal government had no jurisdiction over him.

## Attack on Sudan Town Is Imminent

ADDIS ABABA, Ethiopia (NYT) — Virtually all Western relief workers have been evacuated from the Sudanese town of Juba following strong advice by southern rebels that they should leave in advance of an attack on the government-held town packed with more than 250,000 people.

The town, the largest in the southern Sudan, has become the prime target of the Sudan People's Liberation Army as it sweeps across the southwest of the country in the recent escalation of the civil conflict between the Khartoum government and the rebels. There is little food left in Juba whose population, mostly peasants displaced from the surrounding war-wracked countryside, is dependent on supplies of Western relief food, expatriates who have left say.

## U.S. Coast Guard Fires at Cuban Ship

NEW ORLEANS (AP) — A Coast Guard cutter opened fire Wednesday on a Cuban-operated merchant ship, which was suspected of carrying drugs in the Gulf of Mexico, but the vessel escaped into Mexican waters, officials said.

The Panamanian-registered ship, Hermana, took at least two direct hits without stopping, a Coast Guard spokesman said. "We were in international waters," the spokesman said. "We cannot pursue vessels into other country's waters." The U.S. Embassy in Mexico City said that the vessel fit the profile of a narcotics-smuggling ship.

The Cuban Embassy in Mexico City said that the ship was attacked in national waters, but that was denied by Mexico's Foreign Ministry and the U.S. government. Cuba's official news agency Prensa Latina said the ship had a cargo of 10 tons of chromium.

## For the Record

Los Angeles prosecutors will retry the former preschool teacher, Raymond Buckey, on charges that were not resolved when he was acquitted of 40 child molestation charges in the longest, costliest criminal trial in U.S. history. Mr. Buckey will be retried on 13 counts that jurors deadlocked on two weeks ago. After deliberating for nine weeks jurors on Jan. 18 acquitted Mr. Buckey, 31, of 40 counts of child molestation, and his mother, Peggy McMartin Buckey, 63, of 12 counts. *(UPI)*

# TRAVEL UPDATE

## French Rail Traffic Slowed by Strikes

PARIS (AFP) — French rail traffic came to a complete halt on some lines Wednesday and was slowed by more than 75 percent on many others as rail workers went on strike to protest job cuts and a modernization program.

One in four high-speed TGV and other express trains were running normally, according to SNCF railroad management. But only one in five commuter trains were operated from some Paris stations. In the provincial cities of Rouen, Nantes, Marseille, Montpellier, Tours and Limoges commuters faced empty tracks.

In Paris, traffic was disrupted on five out of 13 Métro lines, but public transportation was more seriously affected in Bordeaux and Lyon. The strike started late Tuesday and was to end early Thursday. Meanwhile, hundreds of Paris taxis blocked access to the Finance Ministry as part of a one-day strike to press demands for a 16-percent raise in fares and lower taxation.

Japanese and West German aviation authorities agreed to allow more commercial flights between the two countries, a spokesman at Japan's Ministry of Transport said. *(Reuters)*

# WEATHER

| EUROPE | HIGH C | HIGH F | LOW C | LOW F | |
|---|---|---|---|---|---|
| Amsterdam | 11 | 52 | 6 | 43 | r |
| Athens | 15 | 59 | 12 | 54 | r |
| Barcelona | 15 | 59 | 6 | 43 | fr |
| Belgrade | 16 | 61 | 6 | 43 | fr |
| Berlin | 12 | 54 | 5 | 41 | fr |
| Brussels | 12 | 54 | 5 | 41 | fr |
| Budapest | 8 | 46 | 7 | 45 | fr |
| Copenhagen | 7 | 45 | 4 | 39 | fr |
| Costa Del Sol | 16 | 61 | 7 | 45 | fr |
| Dublin | 9 | 48 | 5 | 41 | fr |
| Edinburgh | 9 | 48 | 5 | 41 | fr |
| Faro | 17 | 63 | 7 | 45 | fr |
| Florence | 12 | 54 | 7 | 45 | fr |
| Frankfurt | 12 | 54 | 6 | 43 | fr |
| Geneva | 8 | 46 | 2 | 36 | fr |
| Helsinki | 2 | 36 | 0 | 32 | sn |
| Las Palmas | 21 | 70 | 15 | 59 | fr |
| Lisbon | 18 | 64 | 8 | 46 | fr |
| London | 9 | 48 | 5 | 41 | fr |
| Luxembourg | 7 | 45 | 6 | 43 | fr |
| Madrid | 16 | 61 | 5 | 41 | fr |
| Milan | 10 | 50 | 7 | 45 | fr |
| Moscow | 1 | 34 | 0 | 32 | sn |
| Munich | 9 | 48 | -1 | 30 | fr |
| Nice | 15 | 59 | 6 | 43 | fr |
| Oslo | 8 | 46 | 1 | 34 | fr |
| Paris | 13 | 55 | 10 | 50 | r |
| Prague | 2 | 36 | -3 | 27 | fr |
| Reykjavik | 6 | 43 | 2 | 36 | fr |
| Rome | 16 | 61 | 4 | 39 | fr |
| Stockholm | 6 | 43 | 2 | 36 | fr |
| Strasbourg | 13 | 55 | 4 | 39 | fr |
| Vienna | 11 | 52 | 8 | 46 | fr |
| Warsaw | 5 | 41 | 0 | 32 | fr |
| Zurich | 6 | 43 | 0 | 32 | sn |
| **MIDDLE EAST** | | | | | |
| Ankara | 2 | 36 | -6 | 21 | sn |
| Cairo | — | — | — | — | — |
| Istanbul | 11 | 52 | 9 | 48 | r |
| Jerusalem | 13 | 55 | 4 | 39 | fr |
| Tel Aviv | 20 | 68 | 5 | 38 | fr |
| **OCEANIA** | | | | | |
| Auckland | 25 | 77 | 18 | 64 | sr |
| Sydney | 19 | 66 | 27 | 81 | fr |

| ASIA | HIGH C | HIGH F | LOW C | LOW F | |
|---|---|---|---|---|---|
| Bangkok | 32 | 90 | 24 | 75 | r |
| Beijing | -3 | 26 | -18 | 0 | fr |
| Hong Kong | 23 | 73 | 18 | 64 | r |
| Manila | 32 | 90 | 25 | 77 | r |
| New Delhi | 24 | 75 | 9 | 48 | fr |
| Seoul | 0 | 32 | -2 | 28 | fr |
| Shanghai | 3 | 37 | -4 | 25 | fr |
| Singapore | 32 | 90 | 24 | 75 | r |
| Taipei | 19 | 66 | 12 | 54 | r |
| Tokyo | 2 | 36 | 1 | 34 | sn |
| **AFRICA** | | | | | |
| Algiers | 20 | 68 | 5 | 41 | c |
| Cape Town | — | — | — | — | — |
| Casablanca | 18 | 64 | 10 | 50 | r |
| Harare | — | — | — | — | — |
| Lagos | 32 | 90 | 25 | 77 | r |
| Nairobi | — | — | — | — | — |
| Tunis | 19 | 66 | 10 | 50 | c |
| **LATIN AMERICA** | | | | | |
| Buenos Aires | 23 | 77 | 13 | 64 | s |
| Lima | 28 | 79 | 19 | 66 | s |
| Mexico City | 22 | 72 | 9 | 48 | s |
| Rio de Janeiro | 32 | 90 | 24 | 75 | s |
| **NORTH AMERICA** | | | | | |
| Anchorage | -11 | 12 | -14 | 7 | sn |
| Atlanta | 19 | 66 | 9 | 48 | r |
| Boston | 7 | 45 | 1 | 34 | r |
| Chicago | 3 | 37 | -2 | 28 | sn |
| Denver | 7 | 45 | -1 | 30 | sn |
| Detroit | 7 | 45 | -1 | 30 | sn |
| Honolulu | 29 | 84 | 21 | 70 | r |
| Houston | 24 | 75 | 14 | 61 | r |
| Los Angeles | 14 | 61 | 10 | 50 | r |
| Miami | 29 | 84 | 21 | 70 | r |
| Minneapolis | -3 | 27 | -11 | 12 | sn |
| Montreal | 0 | 32 | -12 | 10 | sn |
| Nassau | 28 | 82 | 21 | 70 | r |
| New York | 10 | 50 | 3 | 37 | r |
| Phoenix | 17 | 63 | 4 | 39 | s |
| San Francisco | 15 | 59 | 8 | 46 | s |
| Seattle | 3 | 37 | -4 | 25 | sn |
| Toronto | 2 | 36 | -5 | 23 | sn |
| Washington | 14 | 57 | 3 | 37 | r |

cl-cloudy; fa-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

THURSDAY'S FORECAST — CHANNEL: Heavy. FRANKFURT: Cloudy. Temp. 10—7 (50—45). LONDON: Changing. Temps. 10—8 (50—46). MADRID: Fair. Temps. 16—7 (61—45). NEW YORK: Partly cloudy. Temps. 11—5 (52—41). PARIS: Changing. Temps. 12—8 (54—46). ROME: Cloudy. Temps. 14—6 (57—43). TEL AVIV: Hot. Temps. 20—11 (68—52). ZURICH: Overcast. Temps. 10—5 (50—41). BANGKOK: Fair. Temps. 33—21 (91—70). HONG KONG: Rain. Temps. 18—8 (30—41). MANILA: Fair. Temps. 32—23 (90—73). SEOUL: Cloudy. Temps. 0—5 (32—23). SINGAPORE: Fair. Temps. 29—24 (84—75). TOKYO: Cloudy. Temp. 3—0 (38—32).


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**ROME**
Via di Porta Latina, near the Caracalla Baths, on 1.2 acre land, stands a 1,600 sq.m. villa. The magnitude of the rooms, and a pedestrian subway leading to the swimming pool are to be noted.

**MOORINGS** are also available through the Mediterranean sea, ranging in size from 50 to 150 meters long.

**MOUGINS**
Villa Quartier du Château.
The 18,000 sq.m. land on which is built this 475 sq.m. house can be divided into twelve lots. The size of this land area as well as its location, a few minutes away from Cannes, make this property quite attractive.
Modern villa.
Maurice Gridaine has designed this 432 sq.m. villa on four semi-levels.
Part of the quiet, secure and charmful Domaine de Pigranel, this 8,402 sq.m. land is planted with luxuriant Mediterranean vegetation. The swimming-pool with its pool house, the barbecue and the pergola stress the holiday atmosphere of this property.

**MONTE-CARLO**
This luxurious 700 sq.m duplex, with 1,000 sq.m. of terraces, located in the famous "Carré d'Or" enjoys a splendid view on the Casino and the sea.

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# Quayle's Latin Trip: What Was Gained?

## *Mission Seems to Have Widened Gap With Regional Leaders on Panama*

By Robert Pear
*Washington Post Service*

WASHINGTON — Vice President Dan Quayle's trip to Latin America and the Caribbean was supposed to allay some of the region's resentment of the U.S. invasion of Panama. Instead, it seems only to have dramatized the depth of that resentment.

The three-day trip, which ended Monday night, underscored the problems still facing the administration of President George Bush a month after the invasion. These include growing pressure from some Latin American leaders for fresh elections in Panama to establish the legitimacy of its new government.

Although the government of President Guillermo Endara, installed at the time of the U.S. action, wants to be recognized and respected by its neighbors in the hemisphere, it also wants the troops to remain.

But Venezuela, Peru, Mexico, Jamaica and other countries have said they will not fully accept the Endara government as long as the invasion force is not withdrawn.

On the trip back to Washington, Mr. Quayle said the election last May should be "sufficient to establish the legitimacy" of Mr. Endara's administration.

But he also said that some form of a vote, perhaps in legislative elections or in a constitutional referendum, might be needed to "further legitimize" Mr. Endara's rule.

Mr. Endara is widely believed to have won the election last year, although the results were annulled by the government of Manuel Antonio Noriega, the Panamanian strongman who awaits trial in the United States on drug charges.

Prime Minister Michael N. Manley of Jamaica told Mr. Quayle, "It would be very much to the benefit of the region if the people of Panama had a new opportunity to express formally, through the ballot, their views of the current situation."

Mr. Quayle said on an ABC-TV program, "When I was in Honduras, all the comments I got from the leaders of Latin America there were: 'Get the troops out. Get them out soon. The sooner you get them out, the quicker we can make progress with Panama.'

"As soon as I got to Panama, the response there was: 'Don't go too fast. Don't move the troops out too quickly, because we've got security problems in Panama.'"

Panamanian officials say they do not want to re-establish an army like the one of General Noriega, but are are trying to establish a national police force. To do so, they say, the country will need continued help from American troops.

Ambler H. Moss Jr., the U.S. ambassador to Panama from 1978 to 1982, summed up the anti-U.S. resentment by saying, "The whole hemisphere was very happy to get rid of Noriega, but did not like the method by which it was done."

Mr. Moss added that it was not surprising Panamanians would want the U.S. troops to remain.

"For the last few years," he said, "Panamanians have been running to Washington asking Americans to intervene, saying they would prefer for the U.S. to remove Noriega than to do it themselves."

Latin American countries have generally opposed any foreign intervention, even when military force has been used to overthrow a man they view as a dictator.

Venezuela described General Noriega as a "dictator who abused all the rights of his people." But it later assailed the U.S. action, and said its recognition of the Endara government "awaits the withdrawal of the U.S. invading forces."

NEWS ANALYSIS

# *Victims of L.A. Shooting Never Heard the Dispute*

By Robert Reinhold
*New York Times Service*

LOS ANGELES — Joined in deafness, dependent on each other almost since birth, Cesar and Edward Vieira were inseparable. They overcame their handicaps as best they could, married, built families — and then there was an act of stupefying senselessness.

Late Sunday night, as the brothers were heading home from visiting their mother, a group of teenagers in a car shot them off the motorcycle they had been riding.

The police and the victims' families believe the incident was caused by the brothers' inability to hear or speak.

"They didn't understand what was going on," said Mitch B. Robins, a detective in the Los Angeles Police Department. "The car started pushing them against the curb, and they went up into a parking lot to stop and find out what was going on. The carload got out, yelling and screaming at them. Maybe they were too close or the motorcycle was too noisy."

The two vehicles were in the parking lot of a shopping center in the San Fernando Valley when suddenly the night was split by shots, at least five, and the brothers fell.

Cesar, 30, father of two children and awaiting a third, later died of a chest wound. Edward, 25, father of a son, suffered hip and shoulder wounds, but is in good condition.

The police are searching the area for four or five teenage boys and a girl who were riding in a pale blue Hyundai hatchback.

"All I can say is if that mother knows her son did that, step forward and turn him in," said the mother of the victims, Berenice Cree, an immigrant from Brazil. "It hurts very much, but it hurts me more."

She said of her son Cesar: "He never hurt anybody. He was handicapped. He couldn't hear. He was minding his own business, a married man with two kids."

From birth, neither brother had any significant hearing ability. Cesar had learned to talk, albeit slowly, but Edward's efforts at vocalization were so poor that even his mother usually could not understand him. The brothers used sign language.

Just what happened that night has not been fully determined.

"Obviously, there were communications difficulties," Mr. Robins said. "But we strongly believe that, seeing as Cesar died and his wife is pregnant expecting a baby any day, one of the people in the vehicle should come forward and tell us what happened."

The police speculated that either the brothers' efforts at making sounds or their gestures might have offended the teenagers.

The family emigrated from Rio de Janeiro in 1963, when Cesar was three years old. Edward was born in Los Angeles.

Cesar went to high school and became a mechanic. At the school, he met a deaf woman, and the couple had two children.

Edward, a plasterboard installer, also married a deaf woman. They have a young boy.

The families live together in the Antelope Valley, a fast-growing far suburb of Los Angeles and one of the few places in the area where young people can afford to buy homes.

Mrs. Cree said Cesar enjoyed going to parties, but neither drank nor smoked, for religious reasons. She added that he had a short temper, but cooled down quickly and was usually quite friendly.

"Eddie said he didn't know what happened," Mrs. Cree said. "Cesar was a nice human being. He had no chance. I don't understand it. The only thing I can say is that those people, they had a few drinks, thought they was superman. Had a gun in their hands, thought it was a toy, and there is my kid, dead."

# Another Witness Is Cooperating in Barry Inquiry

By Michael York
*Washington Post Service*

WASHINGTON — James D. McWilliams, the only person who could confirm reports by a former District of Columbia government employee that Mayor Marion S. Barry Jr. smoked crack at a Ramada Inn in Washington in December 1988, has pleaded guilty to a misdemeanor drug charge and spent two hours before a federal grand jury.

A U.S. attorney, Jay B. Stephens, said Tuesday that Mr. McWilliams's agreement to cooperate was "another significant step" in the grand jury's investigation of the Washington mayor's reported drug activities.

The agreement significantly adds to Mr. Barry's legal problems and could pave the way for charges of perjury or obstruction of justice. Mr. Barry has denied in testimony before the grand jury that he used drugs during repeated visits to the Ramada Inn in December 1988 or during earlier trips to the Virgin Islands.

A prosecutor said Mr. McWilliams, 57, a District of Columbia public works employee, went to the Ramada Inn to discuss his "job situation with another individual," presumably Mr. Barry.

The prosecutor, Assistant U.S. Attorney Richard W. Roberts, also said Mr. McWilliams had loaned to a former District of Columbia employee, Charles Lewis, money to purchase drugs. The prosecutor said Mr. McWilliams also loaned his car to Mr. Lewis so that he could go purchase additional drugs.

Mr. McWilliams did not use any illegal drugs at the Ramada, according to Mr. Roberts.

Officials said Mr. McWilliams told authorities that he was in Mr. Lewis's hotel room when Mr. Barry arrived and that he saw the mayor and Mr. Lewis enter the bathroom with crack cocaine. The officials reported that Mr. McWilliams said Mr. Lewis had purchased the cocaine for the the mayor.

Mr. McWilliams told prosecutors that according to their conversation, it was clear that Mr. Barry and Mr. Lewis entered the bathroom to smoke crack.

The officials said the agreement contained a promise by the prosecutors not to oppose a request by Mr. McWilliams's attorneys that he be placed on probation and not sent to jail. A U.S. magistrate scheduled an April 4 sentencing hearing for Mr. McWilliams.

Mr. McWilliams, who had refused to cooperate with federal authorities in the investigation, changed his mind after Mr. Barry's drug arrest on Jan. 18.

The officials have said that other witnesses have backed up key portions of Mr. Lewis's accounts of the mayor's drug use during trips to the Virgin Islands in 1986 and 1988.

Mr. Barry's office issued a statement on Tuesday, criticizing the prosecutors and the press for news leaks about the investigation.

# Satellite Found to Be In Bad Shape

*Reuters*

HOUSTON — A research satellite retrieved during a space shuttle mission earlier in January is in worse shape than expected, showing that future spacecraft construction materials will have to be chosen carefully, according to the shuttle crew members.

The astronauts said Tuesday that the 11-ton Long Duration Exposure Facility showed a lot of wear and tear from its nearly six-year voyage in space.

The satellite had peeling panels and worn paint in many areas, the astronauts said.

"That really caught my attention, because I didn't expect to see anything like that," said Captain Daniel C. Brandenstein, the mission commander of the shuttle Columbia on Jan. 9.

He said the satellite's unexpected shabbiness underscored the importance of rescuing it because it was slowly dropping out of orbit.

"We have to take a good look at anything we build for long duration in space," Captain Brandenstein said.

Officials of the National Aeronautics and Space Administration said the retrieval of the satellite was critical because it would help them design future spacecraft construction materials, especially for the proposed $30 billion space station Freedom, planned for the 1990s.

The shuttle's flight lasted almost 11 days and was the longest shuttle mission of the U.S. space program.

The next shuttle mission — a secret Pentagon flight aboard the Atlantis — is scheduled for a Feb. 22 launching, NASA officials said.

# Sandinistas Plan to Free 1,000 Rebel Supporters

By Mark A. Uhlig
*New York Times Service*

MANAGUA — Nicaragua has begun work on a final list of more than 1,000 rebel supporters and former members of the National Guard who are to be released in February under a general pardon for imprisoned opponents of the Sandinista government.

The release, which was announced Monday by President Daniel Ortega Saavedra, is expected to free most, if not all, of the government opponents still in prison.

It was described by officials of the Sandinista National Liberation Front as a gesture of goodwill during the election campaign. National elections are scheduled for Feb. 25.

Mr. Ortega said, "We hope that when the elections are carried out, these prisoners will be with their families and integrated into the pacification process."

The release of political opponents of the government has been a longstanding demand of opposition groups and has often been tied to regional negotiations over the dismantling of the bases of the rebels, known as contras, in Honduras.

But despite years of diplomacy and bargaining, the U.S.-backed contra army has remained intact, and the prisoner issue has remained unresolved.

Mr. Ortega said the release of the prisoners would be carried out starting Monday and last until Feb. 15.

He also recalled the stalemate over demobilization of the rebels and urged the United States and Honduras to dismantle the contra bases. The bases are still believed to hold at least 10,000 armed rebels.

The government officials said the final list of the prisoners to be released would be ready for submission to the Sandinista-controlled National Assembly, which must approve it, on Thursday.

But they said the decree would cover more than 1,000 imprisoned contras or contra supporters as well as the 39 former members of the National Guard. The former guardsmen were imprisoned when the Sandinistas came to power in 1979.

The opposition groups have repeatedly accused the government of concealing the existence of what they claim are thousands of political prisoners still being held.

But in recent years, Sandinista leaders have freed several large groups of prisoners in special pardons. Last March, 1,894 former members of the National Guard were released.

Officials of international organizations say they are satisfied that the number of prisoners being pardoned by the government include all, or nearly all, of the remaining detainees.

"I think it includes virtually everybody," said Juan Méndez, an official of Americas Watch, a human-rights group.

### ■ Constitution Is Changed

The Nicaraguan National Assembly has approved a change in the constitution to allow the government chosen in the Feb. 25 elections to take office two months afterward instead of next year, Reuters reported from Managua.

"You are digging your own graves and making things easier for those who will bury you," an opposition leader, Clemente Guido of the Conservative Democratic Party, told Sandinista legislators.

As a result of the amendment on Tuesday, newly elected legislators will take office on April 24 and the new president and vice president on April 25.

The need for the change arose when the government agreed at a meeting in El Salvador last February to bring forward the elections by nine months.

### ■ Moscow Sends Helicopters

ABC News has reported that four Soviet-built helicopter gunships were delivered to the Sandinista government in the last few days in violation of promises by President Mikhail S. Gorbachev of the Soviet Union, Reuters reported from Washington.

ABC reported Tuesday that U.S. intelligence officials had said the helicopters were delivered in crates to the northwestern port of Corinto by a Soviet merchant ship.

At the December summit meeting in Malta, Mr. Gorbachev reaffirmed that Moscow had ceased arms shipments to the Sandinistas.

# House Subcommittees Support Plan By UN Council to End Cambodia War

*The Associated Press*

WASHINGTON — Two House subcommittees on Wednesday endorsed legislation supporting a plan by the major powers aimed at ending the fighting in Cambodia with United Nations peacekeepers and administrators.

"This represents the last, best chance for peaceful settlement of the Cambodian conflict," said Representative Stephen Solarz, Democrat of New York, who sponsored a resolution supporting the plan.

The House subcommittee on Asian and Pacific affairs, headed by Mr. Solarz, and the subcommittee on human rights unanimously approved the resolution and sent it to the full Foreign Affairs Committee.

Mr. Solarz said that failure to implement the plan by the five permanent UN Security Council members to strengthen the UN presence in Cambodia could prompt a return of the Khmer Rouge, who are blamed for more than 1 million deaths during their 1975 to 1978 rule in Cambodia.

The five permanent UN council members are the United States, the Soviet Union, China, Britain and France. The resolution backs the Cambodian peace formula developed by the five UN council members in Paris in mid-January.


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# *Awaiting Mandela, A Jail Death Shakes South Africans*

By John F. Burns
*New York Times Service*

JOHANNESBURG — With millions of South Africans expecting the announcement this week that Nelson Mandela would be released after 27 years in prison, the country was shaken Wednesday by an official statement saying that a 20-year-old black anti-apartheid campaigner with close links to the Mandela family had died by hanging on Tuesday while in detention at police headquarters here.

In an unusual step, President Frederik W. de Klerk, who had been expected to confirm on Friday the government's willingness to release Mr. Mandela, announced within hours that a judicial commission of inquiry would be appointed to investigate the death.

Although at least 70 black anti-apartheid campaigners have died in police detention since 1963, the government has never previously appointed a judicial inquiry, preferring to leave investigations to the police and to magistrates' inquests, which usually have found no official wrongdoing.

The police said Wednesday that Clayton Sizwe Sithole had been found "hanging from a shower pipe at police cells" on Tuesday afternoon in John Vorster Square, the police headquarters in a rundown section of central Johannesburg.

A local newspaper, The Star, said that Mr. Sithole was the lover of Mr. Mandela's youngest daughter, Zinzi, and the father of her child. Miss Mandela could not be reached, but family associates said they believed the paper's account was correct.

Mr. Mandela, 71, the leader of the banned African National Congress, was imprisoned for life in 1962.

The police said Mr. Sithole was arrested Friday with four other men in Soweto, a black township near Johannesburg, on suspicion of belonging to an ANC cell responsible for killing 10 people in attacks with hand grenades and automatic rifles in the last two years. A police statement said Monday that the suspects had been found with arms that included a Soviet-made AK-47 rifle, a revolver and 27 rounds of ammunition.

Legal experts who have been critical of the government's handling of similar cases applauded the appointment of the judicial inquiry, John Dugard, a law professor who is director of the Center for Applied Legal Studies at the University of the Witwatersrand, said he was "very surprised and pleased" by Mr. de Klerk's move, which follows other steps in recent months, including the release of prominent ANC prisoners, and conveying a willingness to take new approaches in dealing with South Africa's racial problems.

Mr. Dugard, a prominent opponent of the apartheid system, said he had sufficient confidence in Mr. de Klerk, himself a lawyer, to believe he would have appointed an inquiry even without Mr. Sithole's being linked to the Mandela family.

Referring the leaving inquests into prisoners' deaths to magistrates — who are civil servants answerable to the government — Mr. Dugard added that "the public will have more confidence in a judicial commission of inquiry than in a magistrate's inquest held months after the event."

Mr. de Klerk's action contrasted strongly with the government's action in two cases that prompted a broad-based outcry, the deaths of black activist Steve Biko in 1977, and of Neil Aggett, a white medical doctor and labor organizer, in 1982. Both had been arrested by the security police, and in both cases magistrate's inquests absolved the police of any responsibility despite incriminating evidence.

A similar pattern appeared in dozens of less widely-publicized detainee deaths in the 1970s and 80s.

His action in the Sithole case notwithstanding, Mr. de Klerk was criticized for failing to take a more forthright stand in another matter that has raised serious questions about police behavior.

In the last year, there have been allegations that secret police "hit squads" have assassinated apartheid opponents, including David Webster, a University of Witwatersrand lecturer who was shot to death by unidentified assailants last May. Mr. de Klerk, who became president in September, assigned two white officials to conduct an internal inquiry into the allegations but has so far refused to make public their report.

### ■ De Klerk to See Mandela

Mr. de Klerk will meet with Mr. Mandela on Thursday to discuss problems concerning his release after 27 years in prison, Reuters reported Wednesday from Cape Town, quoting a senior government official.

The official said Mr. de Klerk and Mr. Mandela would discuss "sticking points that have arisen in plans for Mr Mandela's release."

He appeared to refer to statements by Mr. Mandela's wife, Winnie, last Saturday that problems had arisen in Mandela's talks with the government about the terms of his release from a life sentence for plotting to overthrow white rule.



Dexter Cruez/The Associated Press

**BROKEN ARMS BROKEN FOR GOOD — Steamrollers in Colombo on Wednesday flattening 3,500 defective rifles captured recently from Sinhalese rebels; the army kept 3,000 usable weapons. Sri Lankan law prohibits unserviceable firearms from being sold as scrap metal.**

## *Boston Harbor: Bush Backs Off Sludge Cleanup*

*The Associated Press*

BOSTON — George Bush made headlines in the 1988 presidential race when he took a cruise on Boston Harbor to blame his opponent, Governor Michael S. Dukakis, for its polluted waters. But Mr. Bush's first budget as president cuts $20 million Congress had authorized to clean it up.

The campaign talk was a "fraud," Mr. Dukakis said Wednesday. "It was just a lot of political talk. When push comes to shove, no money for Boston Harbor."

The sight of Mr. Bush plying the harbor's polluted waters in 1988 was hailed as brilliant campaign strategy.

A top federal environmental official defended the cut. "Why give a reward to the most flagrant violator?" said Michael Deland, chairman of the president's Council on Environmental Quality.

The harbor has repeatedly been rated among the country's most polluted waterways.

# GERMANY: *Kohl Lauds Moscow*

(Continued from page 1)

ment made the likelihood of unity "pleasantly bigger," she added, the process will still take several years because of the complexity of merging two vastly different political and economic systems.

West German politicians and editorial writers were quick to point out that Mr. Gorbachev's comments — insisting that reunification occur as part of the development of a new European political and security structure — are not greatly different from Mr. Kohl's 10-point plan for unity or from the statements of Western allies.

Mr. Gorbachev "wants to create a stable framework" for unification, Mr. Genscher said. "That must be our interest as well."

Mr. Genscher called for "gradual reunification" based on a new framework for Europe that would be decided at a summit of the 35-nation Conference on Security and Cooperation in Europe.

Mr. Genscher called for a summit later this year at which a council of foreign ministers would be created to supervise Europe-wide cooperation on economics, the environment, human rights, transportation and disarmament.

The positive reaction to Mr. Gorbachev's comments spread to the Frankfurt stock exchange, where prices were rose sharply Wednesday.

The West German opposition Social Democrats hailed Mr. Gorbachev's remarks.

A member of the party said, "It is no longer a question of if, but when, how and what form a unified German state might take."

### ■ Israel Denies Rift

Israel said Wednesday that Prime Minister Yitzhak Shamir and Mr. Kohl had explained their differences on German reunification in an exchange of letters, Reuters reported from Jerusalem.

But Mr. Shamir's spokesman, Avi Pazner, denied a West German newspaper report that the Israeli leader's comment that a united Germany would be a "deadly danger for the Jews" had strained relations between the two countries.

The Munich daily Süddeutsche Zeitung said Mr. Kohl was furious about Mr. Shamir's remarks and regarded them as a burden on ties.

"The report as published is riddled with inaccuracies," Mr. Pazner said. "It is true that there was two months ago an exchange of messages between the prime minister and Chancellor Kohl in which the prime minister explained the background to the statements he had made on German reunification and the traumatic impact of the Holocaust."

He added, "These matters have no connection with the good relations that have developed during recent years between West Germany and Israel."

# SOVIETS: *Gorbachev Denial*

(Continued from page 1)

to dismiss the party resignation rumor in person.

"Perhaps this is to someone's advantage," he said.

"Next week we have a very important plenum, discussing documents for the congress," he said, noting that preplenum speculation was "fashionable" in the Western press.

"This indicates above all that we are another country where much is under discussion, and all the more so at such a turning point for *perestroika*," he said, using the Russian term for his economic and political renewal campaign.

The Central Committee plenum and the party congress will come in the context of the vividly recent fall of Communism in Eastern Europe.

In the view of Soviet liberals, the party must adapt far more quickly to this turn of events than Mr. Gorbachev has thus far suggested. A number of party officials feel that the October congress should be moved forward to the summer in order to deal with growing popular pressure for change.

That question and the possibility of a review of the constitutional article guaranteeing the party's power monopoly might surface at the Central Committee meeting.

Mr. Gorbachev is expected to face pressure from two contrasting fronts at the plenum, with younger, more liberal party members stressing the urgent need for rapid renewal and conservatives expressing alarm at the changes made thus far.

Since taking office five years ago, Mr. Gorbachev has been methodically clearing the Central Committee of some, but not all, of its more conservative leaders. The October congress will provide him with his first opportunity since 1986 to place his own supporters in the 300-member Central Committee.

But he first must get to that congress, working with the current Central Committee.

# PLO: *Soviet Help Asked on Jews*

(Continued from page 1)

the PLO was suggesting the transit camps be "in Vienna, Rome or elsewhere" and that the Jews who went to them should be free to choose where they settled.

Israel has complained to the Soviet Union about delays in ratifying a direct-flight agreement. Israelis say the delay is for political reasons and that it could stall some would-be emigrants for up to a year. *(Reuters, AFP)*

### ■ Expulsions Suspended

Defense Minister Yitzhak Rabin announced Wednesday the temporary suspension of expulsions of mostly Palestinian-American illegal residents from the occupied territories, Agence France-Presse reported from Jerusalem.

Mr. Rabin said the decision was based on humanitarian reasons but that the issue of illegal residents in the occupied West Bank and Gaza Strip would be reviewed later.

In 1989, the Defense Ministry expelled 251 people of Palestinian origin — including 88 women, 85 men and 78 children — from the territories.

According to the ministry's records, about 5,000 people, mostly Americans of Palestinian origin, reside illegally in the occupied West Bank and Gaza Strip.

The U.S. State Department on Tuesday urged Israel to show "sensibility and flexibility" in applying residence requirements for Palestinians in the Israeli-occupied territories.

# TROOPS: *Bush Seeks Cuts*

(Continued from page 1)

jor surprise in Mr. Bush's speech. He also was to proclaim that the nation is in good health, to set lofty goals for U.S. schools and to warn Democrats not to try to cut Social Security taxes.

The official said Robert M. Gates, deputy national security adviser, and Deputy Secretary of State Lawrence S. Eagleburger secretly visited Britain, Italy, West Germany and France in the past few days to brief allied leaders on the proposal.

"Having gotten a favorable response from our allies, the president this morning put in a call to Chairman Gorbachev to explain what he proposed," the official said.

Despite the new conventional arms proposal, the official said that Mr. Bush would stress the need for continued caution in nuclear arms negotiations.

Mr. Bush has said he wants to conclude a deal to cut long-range nuclear arms by 50 percent in time for a June summit meeting with Mr. Gorbachev in Washington.

Asked if there was a contradiction, the official said some ongoing Soviet nuclear modernization efforts would not be covered by that accord.

The official denied that Mr. Bush has been misleading in his previous public resistance to calls for larger troop cuts.

Last month, following a Malta summit meeting with Mr. Gorbachev, Mr. Bush said U.S.-Soviet relations were on the threshold of a new era, but he resisted calls for even swifter arms reductions.

"Let's go forward with the agreements we've got out there," Mr. Bush said at a post-summit news conference in Brussels in December.

"I'd like to get CFE 1 (Conventional Forces in Europe) — get it locked up, get those troops out, move down to equal levels, U.S. and Soviet forces," he said. "And so, we ought to manage that before we start the architecture of something else," Mr. Bush said in explaining a desire to stick with his earlier proposal, which is under negotiation in Vienna.

Initial reaction in Congress, where there is considerable pressure for cuts in defense spending, was favorable.

Domestically, Mr. Bush was expected to press his "unfinished agenda" from last year, including changes in clean air standards, a crime package and education.

All of Mr. Bush's plans, however, will be cast against the backdrop of spending restraints that have clamped a lid on federal coffers.

*(Reuters, WP, AP)*

# East Europeans Ask UN For Advice on Rights

*New York Times Service*

UNITED NATIONS, New York — As Eastern Europe moves toward more democratic government, the authorities in Czechoslovakia, East Germany, Hungary and Romania have asked the United Nations to help them promote greater respect for their citizens' human rights.

Their requests, made over the last few weeks to the United Nations Human Rights Center in Geneva, are for assistance with tasks like writing guarantees of individual rights into their constitutions, teaching officials concerned with the administration of justice about their obligations under the Universal Declaration of Human Rights and creating national organizations to encourage respect for rights.

"The requests show that respect for human rights is a prerequisite for the spread of democracy," said Jan Martenson of Sweden, a UN under-secretary-general who directs the Human Rights Center.

Officials at the center say they hope to start sending constitutional lawyers to assist with redrafting constitutions and laws in some of these East European countries as well as experts to organize human-rights training courses for magistrates, police officers and prison wardens.

## *East Germany Scrapping Missiles It Now Says It Has*

*Reuters*

BERLIN — East Germany said Wednesday that it was scrapping at least some of its tactical nuclear-capable missiles, admitting for the first time that it had such weapons.

The official ADN press agency said that a missile base at Demen, near the northwestern city of Schwerin, had begun to close and that the unit's Soviet-built weaponry would be scrapped or dismantled by November on government orders. The agency did not say whether all the short-range missiles, which can carry conventional or nuclear warheads, would be scrapped.

The tactical missiles are all held without nuclear warheads in peacetime. But military experts said a Soviet custodial unit would provide the missile crews attached to each division with the atomic component in the event of a war.

They said the missile launchers based at Demen were apparently for missiles built in the 1960s, but still in production. The missiles have a range of about 300 kilometers (185 miles).

ADN said that the missiles involved were "modern Soviet systems with an operational tactical purpose and range under 500 kilometers."

All the ground equipment, missiles and launchers will be rendered unusable for the military, the agency said. "One of the missile systems, previously unknown to the public, will go to the Army Museum in Dresden," it added.

# Seoul Now Appears Ready for Deal With U.S. on Cutting Troop Levels

By David E. Sanger
*New York Times Service*

SEOUL — Senior government officials said Wednesday that they now "fully expect" to reach an agreement with the United States this year for the largest withdrawal of American military personnel from South Korea since the end of the Vietnam War.

The officials said they expected that the reductions would involve roughly 4,000 to 5,000 of the 43,000 American forces stationed in South Korea, mostly support personnel.

The rollback would bring U.S. forces to the levels of the early 1980s, before the Reagan administration began a broad military buildup that swelled the American military's presence in Asia.

Despite their surprising willingness to reach an agreement, South Korean military officials — along with officials in Japan — have in recent days stepped up warnings that the sweeping changes in East Europe have yet to lessen Cold War tensions in Asia.

And one of South Korea's most influential cabinet ministers expressed concern that United States, in its rush to cut the budget, could reduce its forces in Asia too quickly, without extracting concessions from North Korea's leadership.

The comments by the officials were made two days after the Pentagon announced it would pull out of three of its five air force bases in South Korea, eliminating 2,000 support positions and consolidating fighter aircraft at two remaining bases. The closed bases, which could be reactivated in an emergency, are located at Kwangju, Taegu and Suwon.

Although the prospect of a lessened American presence in the Pacific prompted criticism in Japan, a senior South Korean official deeply involved in military affairs said the government of President Roh Tae Woo had no objection to cutbacks "as long as the basic element of deterrent defense remains in Korea."

That appears to mark a subtle but important change in South Korea's stated position. Previously, the government had regularly sought assurances that there would be no reductions of any kind.

The change in tone appeared to reflect a decision by South Korea that, given the choice of bearing a bigger share of the cost for the stationing the troops, or watching their numbers dwindle, the government has decided to allow at least some decline.

The question of how deeply to cut the U.S. presence is expected to be the main subject of an Asian tour by Defense Secretary Dick Cheney, scheduled to begin in about two weeks. Mr. Cheney will visit Japan, South Korea and the Philippines.

The last major pullout of troops in Korea occurred in 1971, when President Richard Nixon moved about 20,000 military personnel from the peninsula. In 1978, President Jimmy Carter announced a plan to withdraw all but 14,000 troops and support staff, but it drew intense criticism both from South Korea and Capitol Hill. He ultimately canceled the plan after pulling back only 3,600 troops and staff.

For several days the Korean press has been likening the current efforts to reduce troops to Mr. Carter's failed attempt to minimize America's presence. Some have suggested that the move amounts to an abandonment of South Korea.

"Any plan to reduce the size of U.S. ground forces in Korea in haste is unrealistic," the Korea Herald said this morning, noting that North Korea's ground forces still outnumber South Korea's by a ratio of about 10 to 7. Dong-A-Ilbo, a leading newspaper, insisted that "the military threat from the north has not decreased," but said that "the question of American troop withdrawal has left our hands."

Government officials disputed that view, saying that the United States was acting only after full consultations with South Korea. During the Carter administration, they argued, North Korea was more threatening, and the South had yet to surge ahead economically or build up its own forces. Most officials said that they now view the North's economy as unsustainable, and that it will soon have to reduce the size of its own huge army.

By most estimates, about 40 to 45 percent of America's military personnel are in noncombat positions, and both American and South Korean officials said those numbers could be trimmed. But Wednesday, Hyun Hong Choo, the minister of legislation, said that the United States "must link its scale-down with developments in North-South relations."

"You don't want to miss a great chance to pressure the North," Mr. Hyun said, suggesting among other things that in return for troop cuts the North should withdraw some troops now stationed just above the demilitarized zone.

## *Ex-Pentagon Chief Urges Deep Force Cuts in Europe*

*Washington Post Service*

WASHINGTON — The United States should plan for a radical reduction of its forces in Western Europe as a result of East European political changes that have all but eliminated the Warsaw Pact military threat, according to former Defense Secretary James R. Schlesinger.

"The military balance has been radically altered," Mr. Schlesinger told the Senate Armed Services Committee on Tuesday. The role for the U.S. forces in Europe, he said, "has now been superseded" by *pressure from Moscow's allies for a swift withdrawal of Soviet troops* from their territory.

Mr. Schlesinger, who served as Central Intelligence Agency director and as the top defense official under Presidents Richard Nixon and Gerald R. Ford from 1973 to 1975, urged that U.S. troops in Europe eventually be cut from the current level of 305,000 to from 75,000 to 100,000.

The U.S. proposal on the table at East-West negotiations on conventional forces would scale these forces back to 275,000.

Mr. Schlesinger said this number was far higher than seemed militarily justified, and more than West European public sentiment would support. He also warned that setting such a high ceiling threatened to legitimize "the long-term presence of Soviet forces" in Eastern Europe.

Noting that Belgium and West Germany had announced cutbacks in their frontline military forces, Mr. Schlesinger said the time had come to move toward a European scenario envisaged by Helmut Schmidt, the former West German chancellor: "Europe should be defended primarily by French and German forces," with the United States playing a much smaller role.

# BUDGET: *Toothless Sound Bite?*

(Continued from page 1)

critics said the budget fails to address the problem seriously because it falls short of dealing with the chief cause of the problem: the budget deficit. Borrowing by the government to cover its deficit is a major drain on the supply of savings.

"The difference between perception and reality in Bush's budget mirrors how the voters feel," said Peter J. Davis Jr., a policy analyst at the Washington office of Prudential-Bache Securities. "The voters don't want a tax increase, and they don't want deep spending cuts to balance the budget."

Among the savings in Mr. Bush's budget that critics termed questionable or exaggerated are proposals for management "efficiencies" and "reforms" at the Defense Department and the Internal Revenue Service, and for shifts in the timing of $1.5 billion in Medicare payments.

Even more important, critics said, the Bush plan underestimates the size of the deficit problem because it is based on overly optimistic assumptions that rapid economic growth will help generate a flood of additional federal revenue while lower interest rates will help keep down borrowing costs.

While Mr. Darman's essay suggests that the deficit problem is even bigger than commonly imagined, the figures on which Mr. Bush's plan is based make the deficit problem look smaller than most analysts think is likely.

"There is a lot of interesting-sounding stuff in the budget," said David G. Mathiasen, a budget expert at the General Accounting Office. "But on some of these more profound issues that are raised, there aren't a lot of answers."

Another area of Bush's budget cited by critics for its lack of answers is education. Although the president requested a hefty increase in the Head Start program for disadvantaged preschool children, his budget proposes only an overall boost of $500 million in education spending.

# KOSOVO: *Measures Ordered*

(Continued from page 1)

heard, and speakers addressing the rally implored the protesters to stop firing handguns.

At a rally in the Montenegro town of Ivangrad, about 10,000 Serbs and Montenegrins pledged to defend the Serbs of Kosovo, who are outnumbered nine to one by the province's 1.7 million Albanians.

In Belgrade, the capital of both Serbia and Yugoslavia, crowds estimated by reporters to be in the tens of thousands also rallied in what also was billed as a demonstration against the ethnic Albanians.

Earlier, up to 5,000 students assembled at midnight outside the federal parliament building demanding arms to go to Kosovo to protect the minority Slavs there.

*(Reuters, AP)*

## *Golden Arches: Red Letter Day For Muscovites*

*United Press International*

MOSCOW — Beginning at 10 A.M., the Russians started coming. Outside the golden arches on Pushkin Square, tens of thousands lined up Wednesday for the opening of Moscow's first and the world's biggest McDonald's.

They entered, they ate and, departing, many seemed shocked at the courtesy shown by the young Russians behind the counter. "They told us thank you, come again," people repeated as they left.

Klavdiya Degtyareva, 67, said she stuffed herself with an apple pie and a Big Mac followed by a cheeseburger — and was on her way back to try the fish fillet. "It was all wonderful — soft. Even people like me without teeth can eat it," she enthused.

"We opened the doors and literally 500 people came through," said George A. Cohon, who worked 14 years to bring McDonald's to Moscow.

## Uganda Meningitis Outbreak

*Reuters*

KAMPALA — About 50 people have died in an outbreak of meningitis in Uganda, and health authorities said they were stepping up a vaccination campaign.


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**Golden Arches: Red Letter Day For Muscovites**

Agence France-Presse International

MOSCOW — Beginning at 8 A.M., the Russians started coming. Outside the golden arches on Pushkin Square, tens of thousands lined up Wednesday for the opening of Moscow's first and the world's biggest McDonald's.

They entered, they ate and departing, many seemed shocked at the courtesy shown by the young Russians behind the counter. "They told us 'thank you come again,'" people repeated as they left.

Kseniya Degtyareva, 67, said she stuffed herself with an apple pie and a Big Mac followed by a cheeseburger — and was on her way back to try the fish fillet. "It was all wonderful — soft. Even people like me without teeth can eat it," she enthused.

"We opened the doors and literally 500 people came through," said George A. Cohon, who worked 14 years to bring McDonald's to Moscow.

Herald Tribune
INTERNATIONAL
Published With The New York Times and The Washington Post

# OPINION

## One Yugoslavia or Six?

Yugoslavia has come to the brink of radical change later than its East European neighbors. Now it faces fundamental questions, like the future of Communist rule and its survival as a single country. Yet unity is not automatically the top priority. Yugoslavia's most compelling need now is for effective reforms to halt its slide toward ethnic conflict and economic ruin. Washington still has an interest in trying to preserve Yugoslav unity, but not at any cost.

Yugoslavia is a 20th century invention. Right after World War I, the prewar states of Serbia and Montenegro merged with defeated Austria-Hungary's Slavic provinces of Croatia, Slovenia, Bosnia and Herzegovina. That union satisfied aspirations that had helped trigger the war.

But it also created new nationality problems, jumbling together Roman Catholics, Orthodox Christians and Muslims with conflicting allegiances and mutual suspicions. Non-Serbians feared domination by Serbia, by far the largest component of the new country. And Serbians feared that other groups would gang up against them, an anxiety reinforced by anti-Serbian atrocities in World War II.

In 1945, Yugoslavia was reorganized into the present federation of six republics under the Communist leadership of Marshal Tito. When he split with Stalin in 1948, he gave the West an interest in defending Yugoslav unity and independence.

That independence has partly insulated Yugoslavia from the upheavals in Eastern Europe. Communist authority did not rest on Soviet legions. But Yugoslavia had homegrown problems. Its economy has bogged down in corruption and hyperinflation. The sense of nationhood imposed by Tito weakened after his death in 1980.

Tito's model consciously discriminated against Serbia. With his demise, Serbian nationalism caught fire. Its demagogic torchbearer is Slobodan Milosevic, president of the Serbian Republic. His program is Serbian dominance, Communist supremacy and economic centralism.

Non-Serbian Communists, led by Slovenes and Croats, now demand pluralism and market reforms. They hint that they might quit the federation if Serbia blocks nationwide reform. Since Serbia seemed to do just that during last week's conference of the League of Communists, Yugoslavia's dissolution seems possible.

There may be a less drastic alternative. Prime Minister Ante Marcovic is a popular, effective reformer. His strategy is for the federal government to work around the Communists if they will not embrace reform. But perhaps national disintegration has already gone too far.

A year ago, a breakup of Yugoslavia would have left the surviving pieces dangerously vulnerable to Warsaw Pact pressure. That is no longer so. Dissolving the federation might be less explosive than fierce ethnic friction or continued economic paralysis. The basic choices are for Yugoslavs to make. America's preferences should be reform, stability and unity, in that order.

*— THE NEW YORK TIMES.*

## Relations With Vietnam

The United States and Britain are conducting a restrained but edgy shoving match over Vietnamese who seek refuge in Hong Kong and are judged to be economic, not political, refugees. The British, fearing a rising tide, have begun forcibly repatriating them, to rid themselves of a burden and discourage new arrivals. Washington insists that this practice be suspended for a year, promising to see that the time is used to strengthen procedures of voluntary repatriation.

On this particular issue, the Americans are on the right track. Decency ought to forbid forcibly repatriating even "economic" refugees to a Communist police state — and most of the arrivals are North Vietnamese and in this category, and therefore hard to resettle abroad. On a broader scale, however, the British have a point that official Washington is still a long way from grasping. This is simply that economic hardship in Vietnam has much to do with pushing desperate Vietnamese by the tens of thousands to take the immense risks of flight across the sea, and that the international sanctions the United States continues to mobilize against Vietnam, 15 years after the war ended, help to create the hardship. A change of American policy toward Vietnam could thin the refugee flow.

*Easing refugee pressure on Hong Kong*, of course, is not a reason in itself to revise American policy toward Vietnam. A broad policy review, however, is far overdue. Vietnam has privatized the larger part of its economy and diligently pursued foreign economic partners beyond the reach of the American embargo. It has conducted the troop withdrawal from Cambodia that the United States used to say was the key factor in improving direct ties, and it has extended cooperation on the sensitive issue of U.S. servicemen missing in action. Each step in its attempt to break the isolation imposed by Washington has been met by American demands for more. Why? It is not just that the war lingers on as a political ghost. It seems that Vietnam's real offense in official American eyes is that China, the chosen American favorite, remains deeply suspicious of its traditional regional rival in Hanoi. Is the United States not ready to make its own policy?

*— THE WASHINGTON POST.*

## Getting Out the Vote

Why don't Americans vote? While other parts of the world edge closer to democracy, America's democracy is shrinking. Reflecting a steady decline in participation, barely half the voting-age population took part in the 1988 presidential election — the worst turnout in 64 years. The uninspiring campaign surely did not help. But the problem starts with simple arithmetic. Only 61 percent of all eligible voters are registered.

Landmark legislation now before the House of Representatives would transform the system for registering voters — a crazy quilt of 50 state laws whose net effect is to discourage voters. Despite last-minute objections from the administration and the House minority leader, Robert Michel, the measure deserves swift approval.

Sponsored by Representative Al Swift, Democrat of Washington, and Representative William Thomas, Republican of California, the measure would supplant present state-by-state barriers to registration with commonsense standards for federal elections. The most important is a "motor-voter" provision. It would require states to register eligible citizens automatically whenever they apply for a driver's license or license renewal.

That would be a giant boost for enrollment; nearly 87 percent of voting-age Americans drive. The impact on voter turnout is hard to predict, but since roughly eight registered voters in 10 go to the polls, it is likely to be significant.

States would also be required to allow registration by mail instead of asking citizens to show up at municipal offices, a practice still required by an astonishing total of 27 states. Another provision would make registration forms available at public agencies like welfare and unemployment offices. The bill would also end the destructive practice of purging voters from the rolls simply for not voting, and would build in new safeguards against fraud.

Chances for House approval looked bright until some Republicans complained that the bill would impose undue burdens on state election boards and encourage phony votes. But overall, the bill represents a sensible compromise between Democrats, who traditionally support easy registration, and Republicans, who worry more about fraud.

Congress cannot motivate citizens to vote, but it can remove needless restrictions on voter registration. House approval of the "motor-voter" bill would inspire the Senate to follow suit, set a high standard for bipartisanship and, not least, expand democracy.

*— THE NEW YORK TIMES.*

## Other Comment

### Soviet Muslims Are Moving

Were it not for the presence of intervening troops, a new country would have appeared last week on the map of Asia: the independent republic of Azerbaijan. This Muslim land wedged between Iran, the Caucasus range and the Caspian Sea is not large by the standards of what are now its bigger brothers in the Soviet Union. Territorially, though, it is larger than Sri Lanka, almost as big as South Korea and about the same size as Portugal, Hungary or Austria. The fact that the birth of a nation did not take place was no fault of Azerbaijani nationalists. They opted to secede from the Soviet Union and proclaimed that separation, before the Red Army told them no.

The Baltic republics agitating today for freedom from Moscow were independent within living memory. How long can it be before that spirit catches up with the Kirghiz and Kazakhs, who had a proud tradition of freedom for many centuries? Azerbaijanis have fired the first shot.

If seceders among [Soviet Muslims] should ever reach a critical mass, not much short of outright war could put them down. Complicating the scene, of course, is the danger that such demands would give way to international conflict. Moscow probably had it right when it argued that Soviet Azerbaijanis want reunification with their kinsmen just across the Iranian border more than with Iran as such — a point that Iranian leaders can ignore only at their peril.

The emergence of a new map of Central Asia like the post-Versailles redrawing of Europe is now a distinct possibility — and one that may augur a lot of good.

Peoples newly freed to forge their own destinies may leap at one another's throats in the style of Azerbaijan and Armenia. Eventually, though, self-determination is the best way of husbanding peace and marshaling resources. And it would open up a new frontier for Asia in creating a trust, pride and prosperity that the empires could never achieve.

*— Asiaweek (Hong Kong).*

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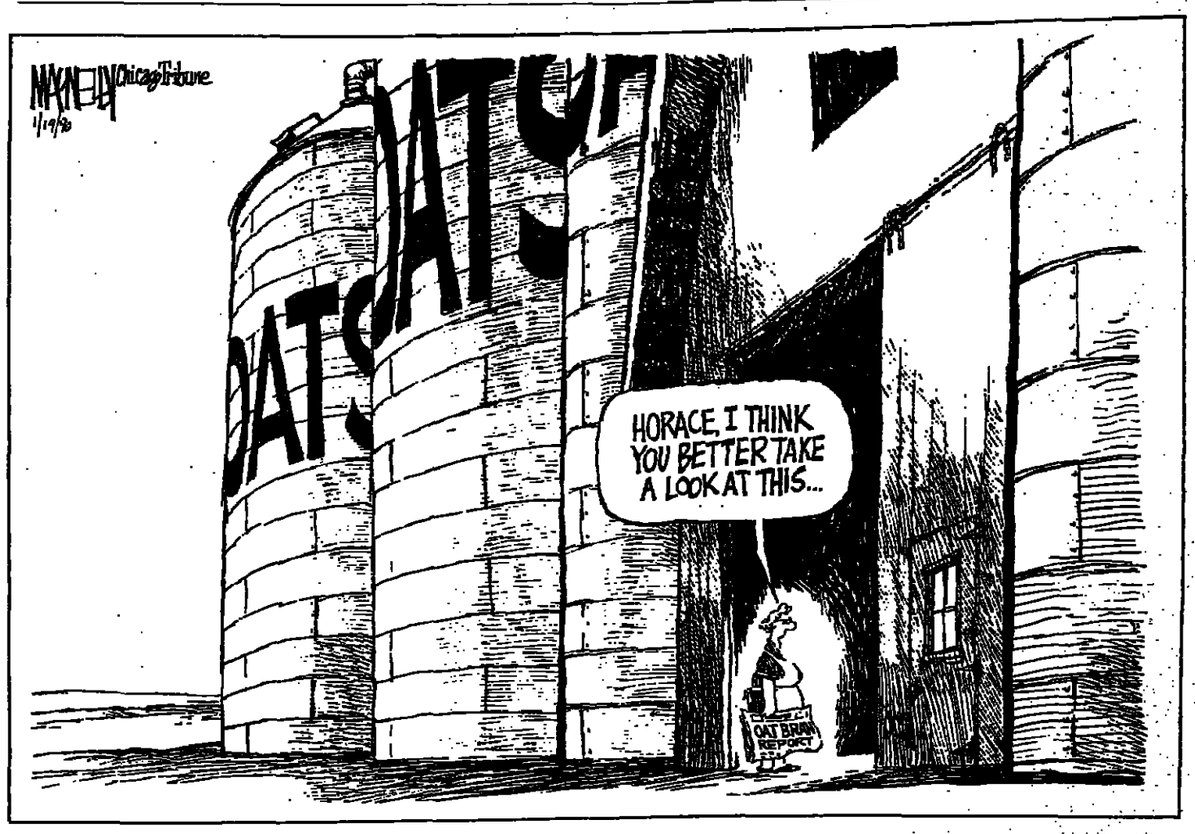
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## Hong Kong: Present China With a Fait Accompli

**By William Pfaff**

LONDON — One of the great curiosities of the present day is the serenity displayed by Margaret Thatcher and George Bush at the prospect of handing over Hong Kong and its six million people to China's communism in 1997.

This same George Bush just invaded Panama, at the price of a thousand lives, to advance good government in that backward country of 2 million people. Margaret Thatcher dispatched a naval task force nearly 10,000 miles to rescue from Argentina's generals the 1,900 people who make up the population of the Falkland Islands. Why do both feel so differently about Hong Kong's 6 million?

Britain fought Chinese armies in Korea and Chinese Communist guerrillas in Malaysia in the 1950s. The United States fought two major land wars in Asia, in Korea and in Vietnam, to counter China's communism, which has changed in no fundamental way since then. Its season of attempted reform came to a bloody halt less than a year ago.

Beijing has in the past few days imposed still tighter constraints on foreign journalists, and issued a brutal response to a British proposal to give 50,000 Hong Kong officials and businessmen, and their families, British passports so as to encourage them to stay in Hong Kong after the Chinese takeover. Such persons would be excluded from any senior government posts, Beijing says.

Optimists believe that sooner or later reform will return in China, and all will go well. It can certainly be argued that this Chinese government has outlived its legitimacy. But it does not follow that democracy, liberalism, a free market will take its place. The evidence of China's political culture and of its modern history says otherwise.

China's government has nearly always been autocratic and arbitrary, imposing a sweeping conformism by measures that too often have been of the greatest severity. There is no reason to think this now will durably change. Yet that is the assumption which appears to underlie Mr. Bush's policies since June and the decisions of Mrs. Thatcher's government.

China ceded Hong Kong Island and a portion of the adjacent mainland to Britain — in perpetuity — as a consequence of two British-Chinese wars in the mid-19th century. These cessions were imposed on China when China was powerless, of course. However, much of the world's affairs is decided in that way — Panama's most recently. Nothing in international law said that these territories had to be given back, any more than the Falklands had to be given back to Argentina (whose legal claim to those islands is an excellent one).

Northern Kowloon peninsula was leased from China by Britain in 1898, on a 99-year lease. It was the approaching end to this lease that caused the British government to enter negotiations on the entire colony's future, and to sign a joint declaration with China in 1984 saying that Hong Kong would in 1997 become a "Special Administrative Region" of China, with "existing social and economic systems" left unchanged for another 50 years.

This phrase provided the basis for negotiations that have since continued to establish the exact degree of self-government, and the guarantee of human rights, which is to exist after 1997. Self-government, of course, will be a novelty: Hong Kong has never had it. The realist might say now that it never will.

There is, though, a chance. Hong Kong could be democratized before 1997. China can be presented with a fait accompli. Hong Kong groups want this to be done.

China insists that only a third of the members of a projected local assembly be freely elected. Hong Kong groups want more than half. But why should not Hong Kong have total self-determination, and have it now? Why should not the international democratic community support Hong Kong's self-determination?

Would Britain challenge China? The foreign secretary, Douglas Hurd, has said that Britain's position on local assembly representation will be decided within weeks — and that Britain is "not in the business of listening to what the Chinese would accept and then doing that."

It remains that after 1997 China will be in a position to do what it pleases in Hong Kong.

The argument that it will show restraint rests on a belief that it would not wish to destroy Hong Kong's trading economy, extremely important to China's ability to earn hard currency, and putatively to China's future internal economic development. Why would it kill the goose that lays the golden eggs? is the argument made at the Foreign Office here. But China's leaders may reflect that a century of British colonial rule has already demonstrated that capitalism in Hong Kong has no need for democracy in order to flourish.

Those leaders were furious last year at Hong Kong popular support for democratic reform inside China. They wish to prevent the further infiltration of democratic influences. In these circumstances, is there a way to defend democracy in Hong Kong and give it new leverage?

Britain's investment in the colony is less than 10 percent of the non-Chinese total. The rest is U.S. (50 percent), Japanese (25), Australian and Southeast Asian. If that investment were withdrawn, Hong Kong's economy — and with it, China's — would be deeply compromised.

The logic of capitalism, of course, is not to raise controversial political questions so long as the return is right. Could this logic be defied? Surely, with the encouragement of governments in Washington, Tokyo and Canberra, it could be. China should be served notice by the international investment community that the survival of Hong Kong as a center of foreign investment is contingent upon the survival of Hong Kong as a democratic entity, possessing representative self-government, independent courts and a functioning bill of rights.

China won't like it, but what difference does that make? China's governments have always respected power, not sentiment — and economic power is wholly in the hands of the democratic world.

*International Herald Tribune.*
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## Stand Up for Democracy Worldwide

**By James David Barber**

DURHAM, North Carolina — Is it America's mission for the 1990s to sit back and applaud as it sees dictators bumped off their thrones by crowds calling for democracy? No, it isn't. The United States should stand up and lead the world democracy movement. Americans have made democracy work at home; now we ought to make it work everywhere we can, with whatever tough and expensive action that takes.

The principles of American leadership for democracy are not complex.

First, the message to Eastern Europe should be: Revolution is not democracy. Turn out the tyrants, yes, but that is just the beginning. East European experience time and again has fostered a sense that liberty means anarchy, in the face of which you give up and turn back to tyranny as the only way to control political chaos.

Another message to Eastern Europe should be: Build government by law — law made by representatives of the people, law which guarantees genuine elections, genuine administration, genuine justice in the court system. But don't trust the formal system; demand also that basic human rights happen — now, for everyone.

Second, breaking the Soviet Union and Eastern Europe into little, vulnerable countries is false democracy. It sets them up for failure. Go for federation, not fragmentation. We should say to the Soviets and East Europeans: Fix your systems and then join with us and the West Europeans, the Australians, Indians, Japanese and the other real democracies in a federation in which we establish rock-bottom military and economic security for democracy.

Within world democracy, join with your neighboring nations in the widest possible government unity, a unity that requires not cultural uniformity but at least basic political trust, to make a federation that can stand up against the threat of civil war and keep the democracy going.

The same fundamental purpose of the United States should apply to Central America, an area it dominates and is thus responsible for. Establishing a democratic federation there is not to be done by corporate exploitation, by CIA support for murderers or by the "sanction" of withdrawing aid. If the United States is responsible for those people, it is responsible for advancing democracy.

For the United States to intervene only when it is U.S. citizens who are butchered and tortured is a direct contradiction of the one most basic principle of our nation: that rights belong to every human. The solution is not turning our back on the bullies or sneaking guns to their victims, but marching in and stopping human rights violations wherever we can, even if the cost is high.

At home, the government ought to lead the world democracy movement. The time is now to recreate a Congress in which persuasive, rational deliberation is conducted by our representatives and the result is national law — that is, fair rules of the game for the country as a whole, rules meant to work and to last, not temporary bureaucratic memos.

January 1990 would be a good time for our president to take on a democracy mission — to set aside the political rhetoric we got sucked into in the 1980s and revitalize the rationality that Thomas Jefferson understood as necessary from first-grade education through the pronouncements of the leaders of government.

The world needs democracy now. If we wait, we lose. If we withdraw, democracy loses. If we do not actively lead a movement for the idea that "to secure these rights, governments are instituted among men," then it may well be another 200 years before that idea has such a chance again.

*The writer, a professor of political science at Duke University, contributed this comment to The Washington Post.*

## Honduras: 'We Need Your Support'

**By Rafael Leonardo Callejas**

*The writer was inaugurated on Saturday as president of Honduras.*

TEGUCIGALPA, Honduras — While the wave of democratic reform washes across Eastern Europe and captivates the international community, a quiet revolution of equal importance is occurring in Central America. Country by country, the people of this region continue to demonstrate their commitment to democracy and personal freedom. The established democracies of the world must not overlook this region as the demands for democracy grow stronger in other parts of the world.

We have just celebrated the first official government transition period in the history of Honduras. Mature democracies expect free elections and take peaceful transfer of power for granted, but the election in Honduras in November was the first time in 57 years that the opposition party defeated the party in office with a clear mandate from the people. We did it without troops in the streets and with a great sense of independence and pride in our ability to conduct fair and honest elections.

Honduras is not alone. Democratic elections took place in El Salvador last spring. Costa Ricans and Guatemalans will hold open and fair elections this year. And we in Central America expect the Sandinistas to keep their word to hold free and competitive elections on Feb. 25. As for the Panamanians, their return to democracy is important to us as a Central American community, but that experience holds other lessons for the mature democracies. It clearly is more productive and certainly less expensive to nurture a growing democracy than to wait until military solutions are applied.

Each democratic election in Central America demonstrates our growing political maturity and our intense desire for political stability and freedom. Each democratic election also represents a victory, not simply for a political party but more importantly for peace and democracy. Now more than ever is the time for mature democracies to nurture the infant republics of this region and help us make the roots of democracy grow deep and strong.

Throughout Central America, we are developing a new regional identity, with the freely elected governments joining forces to solve our mutual problems. Yet to expect us to succeed without economic support from the established democracies is unrealistic and unreasonable.

We cannot, however, accept that support if it is offered at the expense of destroying our environment. We need long-term economic development that allows us to preserve our natural resources and promotes the use and betterment of our human resources. It is ultimately our human resources that will assure our democratic success.

In Honduras, we will have to take difficult steps to solve our economic problems, repair our monetary relationship with the international financial community and seek mutual resolutions to regional security matters. The ability to serve our people depends on a shift from poorly funded public sector programs to private sector initiatives that promise jobs for our work force and ensure permanent solutions in employment, housing, health and education. In order to reverse the economic crisis in Honduras, measures will be introduced to promote a more realistic monetary policy, induce foreign investment, adjust import policies and develop additional products for export.

We are all increasingly interdependent in today's world. We all share in successes and difficulties. We in Central America can benefit tremendously from the experiences and the assistance of mature democracies. Achieving adequate family income, national and regional economic stability and personal dignity for our citizens will represent a great victory for the Western Hemisphere and the world.

There is a mutuality of interests between our emerging democracies and the world's mature democracies. This presents a vast challenge to political and economic resourcefulness and to the integrity of people everywhere. It is the responsibility of freedom-loving countries to ensure that democratic dialogue permanently replaces our former world of suppression, armed conflict and confrontation.

Understandably, the focus of attention has shifted to the new democratic movement in Eastern Europe. And, understandably, resources are limited. But one must not be tempted to choose among emerging democracies across the world.

We say to the United States, to Europe, Canada and Japan: Do not forget us in Central America. We have taken the first difficult steps on a long journey to full democracy. We need your economic, political and moral support if we are to succeed.

*International Herald Tribune.*

## Economics: The Lesson From Japan

**By Michèle Schmiegelow and Henrik Schmiegelow**

*This is the second of two articles.*

LOUVAIN-LA-NEUVE, Belgium — Japan's rise to economic power challenges Western theory and policy. Neither Far Eastern uniqueness nor loyal compliance with one or the other Western economic doctrine can explain Japan's outstanding performance.

The much resented cohesion of Japan's informal elite cannot be the answer, since Britain's old boy network and the esprit de corps of France's legendary bureaucracy have failed to deliver similarly outstanding goods. Such cohesion may help to smooth the policy process, but smooth process is no substitute for substance. Mere nationalism is no substitute either.

Japan's secret is an economic policy system which covers the entire spectrum of contending Western theories. A sophisticated combination of relative fiscal conservatism and progressive provision of credit, of dynamic capitalism and public policy activism has been the secret of Japan's government and enterprises in coping with economic uncertainty and change.

Japan has been alone in designing and managing this most Western of all possible policy mixes.

While the current crisis of economic theory in the West revolves around the balance of public and private policy activity, Japan's strategic pragmatism stands out by higher comparative degrees of activity in both areas.

"Japanese superstate" is a mistaken concept. Better to speak of a superprivate sector. The lesson of the Japanese case is that noncoercive, market-oriented public guidance is possible, and that dynamic private sectors are receptive to such guidance when it promotes positive adjustment to change in commodity, capital or currency markets, or diffuses risks of research and investment in new technologies.

Japan's adjustment to the oil crises, its shift from high to low growth in the 1970s, the management of yen appreciations in the 1970s and 1985, the refocusing from export-led growth to domestic demand — all this provides textbook examples of such guidance. There were technological setbacks, as in nuclear industry, but policy successes heavily outweigh failures.

The world at large cannot copy Japan's domestic economic structures, but there is much to learn from its action. From Japan the West can learn how to recognize a need for action; how to respond to such need even under conditions of uncertainty at the frontiers of technological progress or across the cleavages of theoretical and ideological contention; how to be ready to adjust or correct action as soon as failures appear.

American examples of such strategic pragmatism have demonstrated the Western quality of that model of action ever since the New Deal. Despite the doctrinary style of Reaganomics, there were paradigms of pragmatism in the Reagan administrations — a mix of monetarist monetary policy and super-Keynesian fiscal policy, adjustments of antitrust policy to the requirements of global competition, pre-competitive research cooperation of the Japanese type in the semiconductor industry, and the stabilization mechanisms developed after the October 1987 stock market crash.

Dynamic firms exist in the West just as in Japan. IBM has always been a model, and Daimler-Benz has begun to set an example in West Germany. The problem is the comparative scarcity of such entreprises in the West, as opposed to the "polypolies" of powerful Japanese firms in fierce competition with each other in almost every potential growth sector of industry.

Public policy of the Japanese type does not necessarily need huge public spending. Japan's technology policy shows that only "seed money" of modest proportions is required to stimulate innovative investment, if a dynamic private sector can be counted on to respond and if a well developed financial system compensates for any deficiency in the capital market. Japan's government is both small and active.

A doctrinal détente is in sight at the start of the 1990s. There is increased understanding that market functions do not have to be renounced by governments prepared to act in the classical fields of public policy such as education and health or to correct imbalances as a "second best" solution in failing or dysfunctioning markets. The Japanese challenge has been a valuable stimulus for this learning process.

*The writers are the authors of "Strategic Pragmatism: Japanese Lessons in the Use of Economic Theory." They contributed this comment to the International Herald Tribune.*

## 100, 75 AND 50 YEARS AGO

### 1890: Zola on Obscenity

PARIS — Interviewed on the subject of the obscene in current French literature, M. Emile Zola, who is supposed to be an authority on that subject, has expressed himself as follows: "I am in favor," said the author of "La Terre," "of allowing the greatest liberty to writers who are real artists whose sole ambition is to advance toward a lofty ideal. There is no danger that men of that class will take advantage of the liberty accorded them. On the other hand, I think it both natural and right that a civilized society should seek to defend itself against the contaminating influence of those writers who would make capital by pandering to a morbid desire for obscenity which exists more or less in all communities. I admit that in some cases it is difficult to draw the line between real art and a base imitation. You may depend upon it however that in literature what is true to the principles of art and of real value will endure, and what is bad and false will perish."

### 1915: Zeppelin en Route

LONDON — Count Zeppelin has left Wilhelmshafen in his new huge dirigible on a visit to the German Emperor at the headquarters in Flanders. He is said to be taking with him a new scheme for an aerial invasion of Britain.

### 1940: Television Boost

NEW YORK — An invention increasing the range of television broadcasts from 50 to 1,000 miles was announced here today [Jan. 31] by engineers of the Radio Corporation of America who termed the device "the most remarkable development in the field of radio transmission in several years." The new invention permits the sending of television impulses over a wider area beyond the former limit of the horizon by means of relay stations. If the device proves as successful as R.C.A. engineers indicate, one of the most difficult obstacles to popularizing television has been surmounted.

# OPINION

## What's This About a Right To De-Civilize Ambience?

By George F. Will

WASHINGTON — Just when you think no new folly can make city life more menacing, some moral exhibitionist, wielding judicial power and reeking of liberal self-approval, makes matters worse. Meet Judge Leonard Sand.

He recently ruled that New York City's ban on panhandling in subway stations violates the First Amendment because begging is "informative and persuasive speech."

This latest trauma to the First Amendment suggests that any peaceful (although intrusive, annoying and even coercive) conduct that is accompanied by speech is constitutionally protected. This is especially so, says Judge Sand with a flourish of sentimentality, if the speaker is among the (literally) unwashed.

> ***Harried, frightened citizens have begun assaulting beggars who, in an atmosphere of pervasive menace, are or appear to be dangerous.***

"A true test of one's commitment to constitutional principles," says the judge in one of those self-flattering formulations of which judicial activists are fond, "is the extent to which recognition is given to the rights of those in our midst who are the least affluent, least powerful and least welcome." That advertisement for himself ("what a swell sensitive fellow I am") is nonsense as law or morality.

First Amendment rights do not vary inversely with the affluence of individuals. There is nothing novel about "time, place and manner" restrictions on speech (e.g., no sound trucks near hospitals). Yet the city's attempt to limit one of the unpleasant, even alarming experiences of subway travel is deemed unconstitutional. Indeed, the judge says the "unsettling" nature of beggars and their "message" is what turns their "conduct" into constitutionally "protected expression."

The question of what society owes in compassionate help to street people is, surely, severable from the question of what right the community has to protect a minimally civilized ambience in public spaces. However, that second question is rarely even reached because all today's controversies are cast as conflicts between individual rights and a cold, alien government. This is the mentality of severely individualistic liberalism. Conservatives, with their mindless execrations of government, also are blameworthy.

The community, dismissed (when thought of at all) as a fiction without standing, deteriorates through the "broken window" dynamic. James Q. Wilson of the University of California at Los Angeles says that if a broken window in a building goes unrepaired, the remaining windows will be broken, because an unrepaired window sends a message that no one cares. Disorder and crime are linked in a developmental sequence. Disorder atomizes communities, dissolving the sense of mutual regard and obligations of civility.

Nathan Glazer of Harvard says even non-obscene graffiti on New York subway cars tell riders they are entering an uncontrolled environment. Anxiety, wariness, avoidance and truculence increase.

John Leo, a columnist who lives in New York, has described how street people begin the destabilization process that ends in "dead parks": "Sandboxes become urinals. Swings are broken. Every park bench seems to be owned by a permanently curled-up dozing alcoholic or perhaps a street schizophrenic. When the cycle is complete, the community withdraws, serious druggies and criminals move in ... "

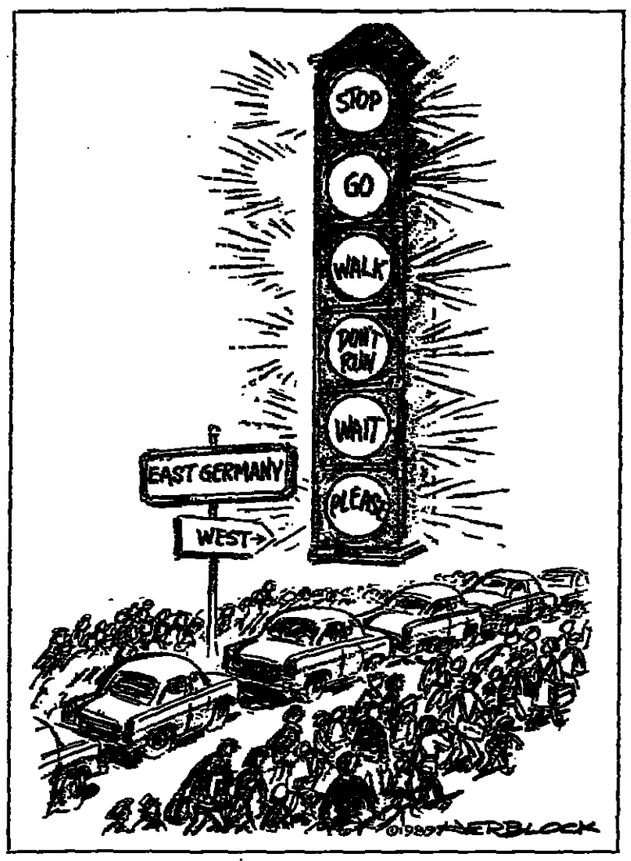
Beggars, many of them deranged by alcohol or other drugs or mental illness, and dangerous in fact or appearance, are human "broken windows." But in the social analysis spawned by liberalism, the individual is the only reality and the community is an abstraction without claims. This leads to the decriminalization of so-called "victimless behavior." Next comes some community-wrecking judge to discover that some of that behavior is a fundamental constitutional right. As Mr. Wilson says, such behavior (panhandling, public drunkenness, prostitution, pornographic displays) can destroy a community faster than a gang of professional burglars.

Judge Sand was recently in the news when the Supreme Court reversed his imposition of heavy fines on Yonkers city councilmen. His purpose was to coerce the councilmen into voting to place public housing where he wants it. The court objected to Judge Sand forcing officials to act with reference to their personal financial interests rather than the desires of constituents. In the Yonkers and subway cases, his jurisprudence says: Representative government — the voice of the community — does not matter; what matters is judicial imperialism on behalf of whatever individual rights strike the fancy of any judge.

Judges like Judge Sand are dangerous — physically dangerous — because their actions feed the anarchic impulse toward violent self-help. Harried, frightened citizens have begun assaulting, in one instance killing, beggars who, in an atmosphere of pervasive menace, are or appear to nervous people as dangerous.

Dangerous maybe. Litigious certainly. A news report reads: "Lawyers for the two homeless men who had challenged the no begging policy said ... " Not every American has a home but, first things first, everyone has a lawyer.

*Washington Post Writers Group.*




## Didn't We Already Deal With It?

By Ellen Goodman

BOSTON — My young friend looks at the evening news program. There is footage from Ethiopia. The famine has recurred and there are babies crying again, children looking dully at the camera again. She glances from the screen to me and says in surprise, "I thought that it was over."

I look up sharply and then I think: Of course. The girl is used to problems that can be resolved in a half-hour, before the last commercial. At 13, she is a member of the restless audience whose attention is grabbed by the changing problems and datelines of our traveling news show. To her, Ethiopia is an old story.

My young neighbor is not insensitive. Quite the contrary. Years ago, she was personally touched by the reports and photographs of that earlier wave of famine in northern Africa. She was a child with little personal experience in sparsity and now is an adolescent who is only "starving" between meals.

During the first "crisis," she talked at great length about why some people had plenty and others had hunger, why middle-class American children could waste and want not. At school, her class collected money. She took her allowance and modest savings and sent them to Ethiopia. She had done what she could, and yet it was happening again.

There was a visible edge of discouragement to her question. When would the problem be fixed once and for all? I tell her that I don't know. It might, probably would, go away and come back. She turns thoughtful. And I wonder if I see something click off.

My friend is young and innocent. Yet the more I thought about it, the more I realized that her attitude isn't only colored by age or ignorance.

Most adults are generous and caring in emergencies. We are great at performing the one-night stands for causes. Christmas dinner for the poor, collections for victims of fire or flood or famine.

But if the emergency turns chronic, if we give the problem our best shot and it doesn't shatter, it's hard for many of us to sustain the same level of concern and caring. Wasn't Ethiopia an old story? Didn't we wage a war on poverty? Didn't we DO homelessness last year.

The famine is a classic case. Famine was there before the cameras and will be there after the footage is filed away. The genuine response of Westerners to the "emergency" of hunger hit the wall of massive African problems — politics, transportation, corruption, war as well as weather.

But any crisis may become as routine as mealtime. Feed people on Monday and they are hungry again on Tuesday. Help someone find a roof over his head one night and he has the nerve to need one the next night. Dig a bullet out of a body, chase a delusion out of someone's mind and they may return full of fresh bullets and replenished delusions. Help people and they may come back for second helpings.

### MEANWHILE

For many of us, there is a slow process by which a gift can begin to feel like an obligation, generosity can turn into resentment and sympathy can turn hard. How many have turned angry at problems that wouldn't stay solved, at people who wouldn't be cured.

They call it compassion fatigue. They say that it is endemic now in urban centers such as New York City, where people are just "tired" of seeing the homeless, the street people.

Fatigue or futility? When the easy answers are not the final ones, some stop trying and others follow the old adage: When you are overwhelmed by bodies floating down the river, go upstream to find the source. I wonder which direction my young friend will take.

For a few minutes, we watch experts talk about Ethiopia. One asks for donations for emergency food. Another says such food will only prolong the war that prolongs the famine. They talk about the help and the harm of help, about natural droughts and man-made disasters.

After a few minutes of this, my young friend gets up and leaves the room. I do not ask her what she thinks.

How much more complicated the world must seem since she first sent her small change to Africa.

I wonder what personal price we pay for disillusionment. I wonder what *moral costs are tallied up by people* who learn to turn away from pain. I want to tell her not to expect too much. And not to give up too quickly. How hard it is to learn to be tough-minded without becoming hard-hearted.

*The Boston Globe Newspaper Company.*

## LETTERS TO THE EDITOR

### As Promised, Fortunately

*Regarding "Bush's Year One: Just What He Promised, Unfortunately" (Opinion, Jan. 19):*

I disagree with George F. Will's criticism of President George Bush's first year in office. The year 1989 was not one for presidential coasting. It was fraught with serious problems that needed imaginative management.

The NATO crisis last spring comes to mind; it was solved most ably by our president. And he has shown his mettle in coming to terms with Mikhail Gorbachev (often we saw the opposite happen under other leadership).

As to the Beijing situation that Mr. Will refers to as a defeat, has he considered for a moment that going to the hornets' nest so soon after it had been kicked took courage and insight, and enabled the president to negotiate from a position of strength?

It is always easier to try to patch up relations after the wailing from the cruel events has been stifled, but then you are negotiating from a position of appeasement. Mr. Will ought to wait and see the outcome of President Bush's diplomatic efforts. He should consider the long term, not the immediate assuagement of his editorial appetite.

Even on the home front the president has shown outstanding leadership. Mr. Will cannot ignore the results of the drug war that the president declared before his election. One Colombian drug lord, José Gonzalo Rodriguez Gacha, is dead and another, Severo Escobar, is on the run. Manuel Antonio Noriega of Panama is behind bars and Mayor Marion Barry of Washington is stung. I think these are pretty big fish, and a nice catch for Mr. Bush's first year in office.

The crisis in America's domestic affairs that Mr. Will refers to is inevitably linked to drugs. Mr. Bush knows that; Mr. Will seems to want to ignore it. To find so much fault in the president's first year in office shows the mind-set of a pit bull terrier. But then, pit bulls, once they go after something, never give up. Mr. Will has been after this president for as long as I can remember.

PETER B. MARTIN.
Montcuq, France.

*Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.*

### Right Vain Thinkers

*Regarding "The Hiss of Flying Fur" (Observer, Jan. 17):*

Russell Baker's humorous column concerning the current "right-thinking" social climate in the United States is, alas, all too true. People who confer upon themselves the title "right thinker" used to be called bigots.

CAROL McMULLEN.
Lausanne.

### Chet Baker and Fools

I agree with Mike Zwerin *("On Film, Chet's Next-to-Last Tango," Stage/Entertainment, Jan. 17)* that Chet Baker could be manipulative, but he reserved that kind of treatment for sycophants. I am convinced that one of his main reasons for drug use was his desire to buffer himself against the mind-boggling insensitivity of fools. Actually, he was embarrassed for them.

If Chet was manipulative, then it was also true that he was being manipulated. His drug problem made him vulnerable. He was "burned" for over $100,000 by one agent. Of another, he said: "You know all the dumb gigs he's put me on? I'll tell you why: He thinks that everybody's in it for the money, because he is. He's always expecting me to do 'short money favors' for him because of the amount of gigs that he gets for me. I treat him accordingly."

Chet was a sport of old-fashioned proportions. When he had money in his pocket he paid the check, regardless of the number of people at the table. He was bored with everything but music, and sometimes with that as well, if it wasn't swinging. But when it was, he played beautifully.

He was a special person who is missed. I suppose it could be argued that most of the things Mr. Zwerin said about Chet were true. I just didn't like the way he said them.

IRVIN ROCHLIN.
The Hague.

### The Dignity of Labor

Milos Forman states, in "Havel Is Right About Reconciliation" *(Opinion, Jan. 10)*, that during the Nazi occupation of Czechoslovakia, people were "forced to labor below their status and dignity." I oppose any government's telling people what work they may or may not do, but such language suggests a contempt for manual workers that I find repugnant and foreign to the American tradition.

BARBARA BURKE.
Paris.

### A Way to Get a Hearing

*Regarding "From Noriega to 'Z' — Truths of the Pariahs" (Opinion, Jan. 6): by A. M. Rosenthal:*

I wonder whether Mr. Rosenthal is a bit too hard on Z, rather strongly attacking him for retaining his anonymity. Although I would not ascribe any motives to the author for remaining anonymous, it does appear that his refusal to sign his name only increased the notoriety of the piece.

For those like Mr. Rosenthal and myself who agree that the West should not help Mikhail Gorbachev, perhaps this is all to the good.

Y.
Brussels.

## EUROPEAN TOPICS

### Italy Kidnapping Victim Free After 2 Years

Church bells rang in Pavia, Italy, on Wednesday to welcome Cesare Casella, a kidnapping victim reunited with his family after more than two years.

Mr. Casella, 20, was reportedly found Tuesday by a military patrol in the Aspromonte Mountains in Calabria. He said his abductors had chained him to a post, apparently to give them time to flee from nearby police patrols. He uprooted the post and carried it to a nearby house to call for help.

He was kidnapped near his home by the 'Ndrangheta crime organization on Jan. 18, 1988. His family, owners of a car dealership, paid 1 billion lire ($800,000) ransom. Despite conflicting reports, the police said no additional money was paid.

His mother, Angela, was dubbed "Mother Courage" last year when she tramped through the Calabrian mountains to appeal for her son's release.

At least four other hostages are believed held by the 'Ndrangheta.

### Immigrant Children Facing Big Hurdles

Many children of migrants workers living in Western Europe fail at school and have great problems finding work, according to the International Labor Organization.

There are more than seven million such children in Belgium, France, the Netherlands, Sweden, Switzerland and West Germany, or 10 percent of Western Europe's population under 20, and their number is growing each year by 400,000, the Geneva-based United Nations body said. Most of the children come from Southern Europe and North Africa.

The problem is a result of earlier years when West Europe countries hired large numbers of foreign workers for unpopular jobs, the organization said. It added that the children of the immigrants represented "a demographic time bomb that has been ticking steadily since the 1960s."

Their problems are far worse than would be expected because of political, cultural, religious or racial differences, it added. As many as three times more of the immigrant children need special catch-up schooling than local children, and the jobless rate of immigrant youths ranges from 11 percent in Sweden to 27 percent in France.

The International Labor Organization urged more efforts in education and training and increased rights to work for the children of immigrants, including in areas where they are often barred from employment, such as the civil service.

### Around Europe

**De Waarheid, the Dutch Communist Party newspaper,** is planning to change its name, become a weekly magazine and sever all ideological ties with the party. The circulation of the daily, set up as a resistance paper in 1940 during the Nazi occupation, has dropped from 300,000 in the late 1940s to only 7,000. The party, which received a 10.6 percent share of the 1946 vote, slipped to less than 1 percent in 1986. The party did not run independently in the general elections last year, but instead fielded its candidates on a environmental list.

**The town council of Zermatt, in the Swiss Alps,** has rejected a project to floodlight the pyramid-shaped peak of the Matterhorn next year as part of celebrations marking the 700th anniversary of the Swiss Confederation. The decision followed a citizen's meeting last week in which a proposal to install laser projectors on two glaciers of the 4,478-meter (14,682-foot) mountain was overwhelmingly turned down.

**Thousands of East Germans have been snapping up pornographic** material since the border with the West was opened last fall, according to Beate Uhse and Orion, West Germany's two largest mail-order businesses dealing in sex-related products. Beate Uhse said it had filled 8,000 East German orders since November, while Orion said it had 22,000 East German names on its mailing list. Both said they were receiving about a thousand daily requests for catalogues, as well as several hundred orders for books and paraphernalia. Beate Ushe said it was not clear whether an East German law banning the import of pornographic material had been changed.

Sytske Looijen

## Romania's King Is Ready to Go Home

By Burton Bollag
*New York Times Service*

VERSOIX, Switzerland — King Michael of Romania, who has been living in exile for 42 years, wants his throne back.

Although the king has been living the life of a rather modest commoner for the last four decades, Romania's political instability means that his return, though seemingly unlikely, cannot be ruled out.

He says he envisages a role for himself similar to that of Western Europe's constitutional monarchs. And he would like to act as a guarantor of democracy, while staying above politics.

"I could catalyze public opinion and insure continuity, preventing the situation from going to extremes," the king said in an interview at his home in this town on the shores of Lake Geneva.

He lives in a comfortable two-story ranch-style house with his wife, Queen Anne of Bourbon-Parme, one of their five daughters and the queen's mother.

The house, on a hill overlooking the lake, has a small swimming pool but could hardly be called luxurious. There is nothing to distinguish it from the neighboring houses inhabited by Swiss business people and professionals. Inside, there are a few portraits of the king as a young man, and of relatives, but little regal paraphernalia.

Born in October 1921, Michael occupied his throne twice: first as a child regent from 1927 until 1930, when his father, Carol II, was invited to return, and then again from 1940 to 1947.

During his second reign he was, by many accounts, very popular. And he served as a symbol for discontent with General Ion Antonescu, the dictator who brought Romania into World War II on the side of Nazi Germany.

The young king played a big role in the August 1944 coup that toppled General Antonescu and brought Romania over to the side of the Allies. After the war, he tried to maintain a democratic government in the face of Soviet pressure but was forced to abdicate in December 1947.

He then left Romania, married and wandered around Europe for several years. He made an unsuccessful attempt at chicken farming in England and worked as a pilot and instrument tester in Geneva. In 1964, he settled into a job in the Geneva office of a U.S. brokerage house.

Only in the last two to three years has King Michael devoted most of his time to following events in Romania and keeping up contacts with Romanian exiles.

Queen Anne has been active in a solidarity movement in which villages in Western Europe "adopted" Romanian villages in an effort to prevent the Ceausescu government from tearing them down, as part of its "systematization" plan.

Speaking in a cluttered study, King Michael displayed the determination of a man who feels that history may be calling him out of obscurity to play a special role.

But his attitudes at times seemed stuck in a bucolic past that no longer exists. He said he regretted Romania's transition, after World War II, from a predominantly agricultural country to an urban one, and added that a return of craft guilds might be a good thing.

"We do need a certain amount of industry," he said, "but agriculture has been the backbone of Romanian life for 2,000 years."

Professor André Liebich of the Institute of Advanced International Studies in Geneva said the instability in Bucharest and King Michael's "honorable record" as a young ruler worked in his favor.

"As strange as it may sound to American ears," the professor said, "nobility may have a role to play now in Eastern Europe."

But he added that there was "something unconvincing" about the king's attempt to regain his throne, given his lack of political activity during most of his exile.

Since the December revolution that overthrew Nicolae Ceausescu, King Michael has been feverishly renewing or establishing contacts with Romanians inside and outside the country. In mid-January, he sent two of his daughters on a one-week private visit to Bucharest "to be my eyes and ears."

The king has joined calls for the resignation of the National Salvation Front now ruling Romania.

As former Communist Party members, he said, the Front leaders are "compromised, there's no two ways about it." He also joined in criticism of the Front for not giving opposition parties access to state-run television.

In this sense, the king said, he feels the time is not yet ripe for his return to Romania. At present, he said, "there's no one to work with."

But he has not given up hope of one day returning to his throne.

"My family has always had a very personal relationship with the people," he said. "In the 1930s, we looked after them well."


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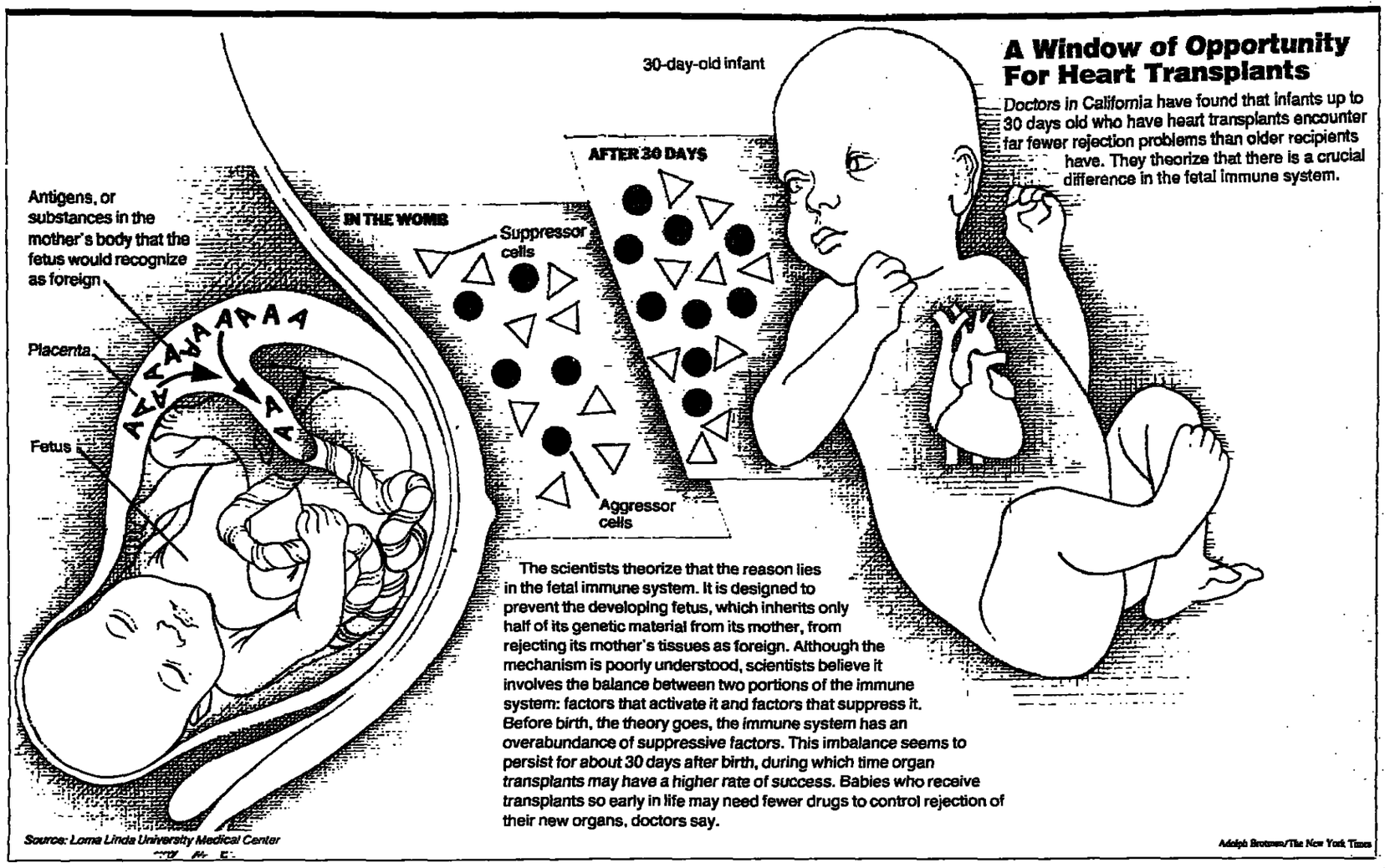
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# HEALTH / SCIENCE




**A Window of Opportunity For Heart Transplants**

*Doctors in California* have found that infants up to 30 days old who have heart transplants encounter far fewer rejection problems than older recipients have. They theorize that there is a crucial difference in the fetal immune system.

The scientists theorize that the reason lies in the fetal immune system. It is designed to prevent the developing fetus, which inherits only half of its genetic material from its mother, from rejecting its mother's tissues as foreign. Although the mechanism is poorly understood, scientists believe it involves the balance between two portions of the immune system: factors that activate it and factors that suppress it. Before birth, the theory goes, the immune system has an overabundance of suppressive factors. This imbalance seems to persist for about 30 days after birth, during which time organ transplants may have a higher rate of success. Babies who receive transplants so early in life may need fewer drugs to control rejection of their new organs, doctors say.

Source: Loma Linda University Medical Center

Adolph Brotman/The New York Times

# New Hearts, New Hope for Sick Infants

## In First Month of Life, Body Seems to Tolerate 'Foreign' Tissue Better



By Sandra Blakeslee
*New York Times Service*

LOMA LINDA, California — New theories on the workings of the immune system in newborn babies are bringing optimism to transplant surgeons who treat infants suffering from severe heart defects.

Since late 1985, doctors at the Loma Linda University Medical Center, the major center for infant heart transplants, have stitched new hearts into 62 babies afflicted with potentially fatal heart defects.

Last year they performed one such operation every other week, and they have done three in January. Fourteen infants have died, but most of the other 48 are healthy, and some are thriving at the ages of 3 and 4.

"You are grateful for every day you have with this baby," said Linda Zuniga, whose 5-month-old daughter Lisa got a new heart in September.

Like Lisa's, most of the transplants were performed in the first month of life. During that time, immunologists believe, infants' immune systems are particularly well-equipped to tolerate foreign tissue when the infants are given the proper doses of immunosuppressant drugs.

Initially, many doctors criticized the transplant program, saying that infants would not survive the operation and that those who did would suffer brain damage and other problems from drugs intended to keep their immune systems from rejecting the new hearts.

But now, said Dr. Leonard L. Bailey, the surgeon who heads the Loma Linda team, the survival rate is equivalent to that of most adult heart transplant programs.

The procedure is very expensive: The surgery and first year of care cost $120,000, although Loma Linda has been underwriting the cost for some patients. Limited insurance reimbursement is available.

And experts say some troubling ethical questions persist. "Are the babies being snatched from the jaws of death to live a life of chronic illness?" asked Dr. Arthur Caplan, director of the Center for Biomedical Ethics at the University of Minnesota.

Many pediatricians are not referring patients to Loma Linda, he said, because they worry about the quality of life in store for the babies.

And he added: "Pediatricians tell me they have a problem with Loma Linda because of the baboon experiment," an operation four years ago in which Dr. Bailey transplanted a baboon's heart into Baby Fae, a newborn who survived 20 days.

Many physicians considered that operation foolish. But Dr. Bailey said recently, "We wouldn't be where we are if it weren't for Baby Fae."

The children are given extremely low doses of two immunosuppressant drugs, cyclosporin and azathioprine, for one year. After that, cyclosporin is given alone, again in minimal doses.

THERE are suggestions that girls who receive boys' hearts mount particularly aggressive immune responses, but not the reverse. The researchers said they needed to see whether the observation held true in larger numbers of babies.

The number of operations increased dramatically two years ago, Dr. Bailey said, after Loma Linda undertook a program to use as donors babies born without all or most of their brains. Ethical questions, including the difficulty of determining brain death in such babies, caused the program to founder. But it was widely publicized, and the parents of infants who died of other causes donated hearts to Loma Linda.

Despite the increase in the number of donors, one-third to half of the babies who come to Loma Linda die before a donor can be found. Most have hypoplastic left-heart syndrome, in which the left ventricle, the heart's main pumping chamber, is poorly formed.

Although the surgery is becoming routine, its methods are astonishing. The infant's body is slowly cooled to 59 degrees Fahrenheit (15 degrees centigrade) so that all metabolic processes virtually stop. A baby can survive in this condition for about an hour.

The defective heart is removed, and the baby is drained of his blood. Then the new heart, the size of a walnut, is sewn in, new blood is transfused and the baby is slowly warmed back up.

"Their little hearts start up right away," Dr. Bailey said.

Dr. Sandra Nehlsen-Cannarella, Loma Linda's chief immunologist, said that, although "the immune system at birth is not immature or incomplete, it's different." Although the precise mechanisms that make it different are not understood, she said, researchers theorize that the fetal immune system is programmed to prevent the fetus from rejecting the "foreign" tissue of its mother.

Dr. Franklin Trimm, a pediatrician at Loma Linda, said signs of rejection vary: Children may lose appetite, vomit, be cranky, sleep more or seem completely normal except for a rapid heartbeat.

Maria Pritchard's daughter, Rachael, was the third heart recipient at Loma Linda. She had her fourth birthday a couple of weeks ago.

"Rachael lives a very normal life," Mrs. Pritchard said. Given a new heart at the age of 3½ months, "she had a rough time in the beginning."

**■ Successful Fetal Heart Surgery in the Womb**

British doctors said Wednesday that they had performed the first successful heart operation on a baby in its mother's womb, although the baby was critically ill afterward, Reuters reported from London.

A team at Guy's Hospital inserted a balloon with the diameter of a small needle into the heart of an unborn baby boy to open a closed valve.

Last week American doctors disclosed that life-saving lung surgery had been performed on a fetus removed from its mother's womb and returned. The baby was born three months later and is still alive six months after birth.

## MEDICINE

# Antibiotics: Widely Different Approaches

By Mary Carpenter
*International Herald Tribune*

FEAR of foreign bugs forces some peripatetic Americans to travel with unwieldy sacks of pills and potions. Predominant are the antibiotics. If the itinerary includes West Germany, travelers are right: Antibiotics may be difficult to obtain. But those heading for France can leave the medicine kit at home.

Prescribing differences between countries depends on a mixture of medical philosophy and patient demand. Antibiotics are designed to treat diseases caused by bacteria: Some have broad use against many different microbes while other are more specific. For example, one form of penicillin may work best against syphilis while one of the tetracyclines may be the first choice against certain kinds of pneumonia. Antibiotics are ineffective against any nonbacterial organisms, notably viruses that cause flu, most colds, measles, mumps and myriad other illnesses. As a result, physicians should perform tests before deciding whether or not to use an antibiotic and which ones to prescribe. On the other hand, most patients feel better when they think something is being done to relieve their suffering, and in many cultures that something must be an antibiotic.

Many German doctors believe patients must be sick enough for the hospital before antibiotics should be given. German patients are also generally reluctant to take strong drugs. Strep throat is an example of bacterial infection universally treated with antibiotics. But a Munich cardiologist tells of seeing a young girl with chest pains whose mother, months before, had rejected a pediatrician's prescription of antibiotics for strep infection. Then, aware that heart disease is a long-term risk of untreated strep, the mother panicked at the first sign of chest pains.

For acute urinary tract infections the treatment of choice for most physicians is antibiotics, whereas in Germany a drug from another category, a so-called sulfa combination drug, would be tried first. And for gynecologic infections, German physicians are known to prescribe mud baths. Also, homeopathic remedies are often preferred as a "less aggressive" form of treatment than antibiotics.

In France, on the other hand, potent bacteria-fighters can be just a phone call away. Says one American living in Paris: "As soon as I get a sore throat, I just call my doctor and tell him which antibiotic I want. I always get it." A highly respected French gynecologist prescribed 14 days of antibiotic therapy to a pregnant woman, who only later thought to question her doctor about test results. He responded, "What test?" It turned out her infection was not caused by bacteria, and she required an additional 14 days on another drug. Hearing her story, an American doctor working in Paris suggested, "French physicians feel it undermines their authority to perform tests, so they are reluctant to do so."



Nicolas Asfouri/IHT

Antibiotics may be easier to get in France, but overall antibiotic use is higher in the United States than in any European country. On a list of most commonly prescribed drugs in the United States, number one is amoxicillin, a form of penicillin commonly used to treat ear infections in children and bronchitis. For European countries, a report by the London Office of Health Economics groups drugs by the 20 most commonly prescribed categories. Antibiotics do not even appear on the list for Germany, and for France they are number 15.

One explanation given for German reluctance to prescribe or take antibiotics is what one expert called the social security system's "safety net": Workers are allowed sick leave up to three days without visiting a doctor. Even after that period, physicians are "very lenient with the sickness certificate," meaning that there is less pressure than in other countries to return quickly to work and so less need for a quick cure and powerful potions.

Regardless of local prescribing habits, there is widespread concern about the growing resistance of disease-causing bacteria to currently available antibiotics. The obvious alternative is less frequent use of antibiotics — for which the German example may be a good one.


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## IN BRIEF

### Panel Recommends Wider Use of AZT

BETHESDA, Maryland (NYT) —A U.S. federal advisory committee recommended Tuesday that the AIDS drug AZT be approved for the treatment of people who are infected with the AIDS virus and have faltering immune systems but no symptoms of illness.

If the Food and Drug Administration goes along with its committee's advice, the market for AZT, or azidothymidine, will be vastly expanded. Although many gay men are already taking AZT before they have symptoms of AIDS, many others, especially poor minority members, are not.

The committee unanimously recommended that AZT be used in patients whose counts of important immune system cells called T-4 cells fall below 500 for each milliliter of blood, about half the normal amount. The agency currently recommends that people take AZT once their T-4 counts fall below 200, the point at which they are considered to have AIDS.

### All Is Not Sociable In the Honeybee Hive

NEW YORK (NYT) — Honeybees may not be as good an example of social cooperation as they were long thought to be, a University of California scientist says.

The research by the scientist, Kirk Visscher, centers on female worker bees that lay eggs rather than concentrating on supporting the queen and raising her offspring, their primary task. The research indicates that it is the worker bees, rather than the queen, that object to other workers' laying eggs.

**ACROSS**

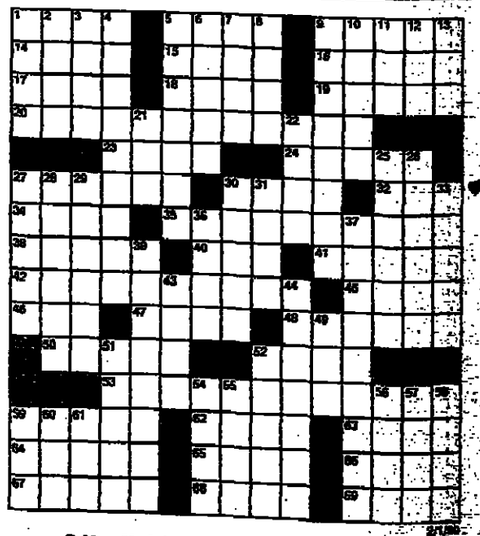
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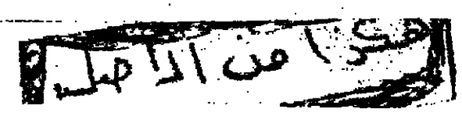
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26 Ortega or Defoe
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28 Antiflood embankments
29 Sorrowful, to Chopin
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36 Banshee's land
37 Animal science
39 Trees named for a Cherokee scholar
43 Tubby's friend, Little ——
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52 Small land mass
54 Snack
55 Cogitator's reward
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ADVERTISING SECTION

# Mexico
## Competition & Cooperation

# Economy on the Mend as New Measures Take Effect

**In the eyes of the international business and financial community, Mexico is doing just about everything right. Rules limiting foreign investment have been eased. Tariffs have been slashed dramatically. The government is shedding state-run companies that have been a drain on the budget and is reining in union power.**

The result is an economy that, if not in the midst of a boom, is enjoying substantial growth and giving hope that Mexico is emerging from years of stagnation. The country's GDP increased 3.5 percent in 1989, compared with 1.3 percent in 1988, and projections by the Bank of Mexico show the rate averaging 5 percent annually over the next several years.

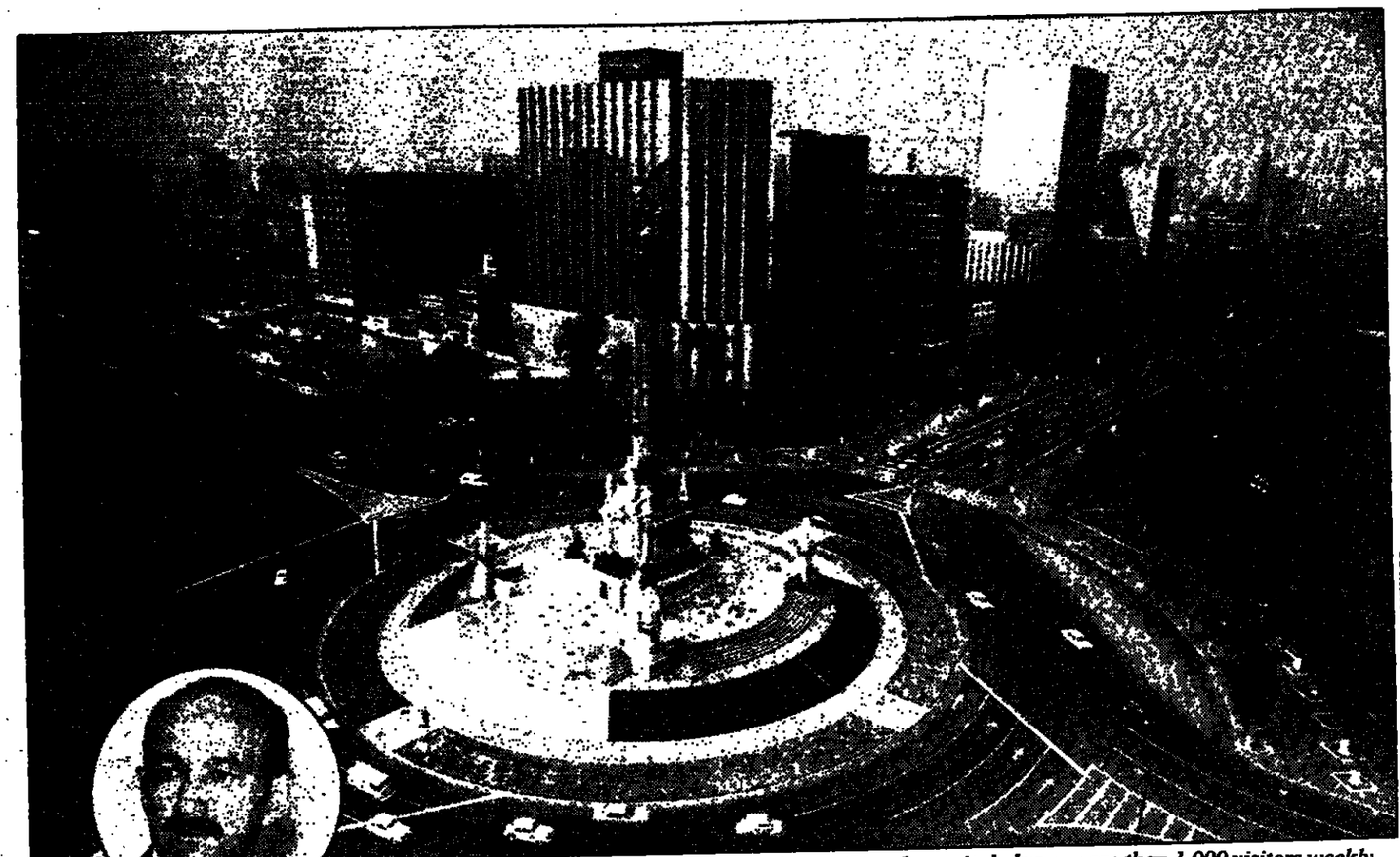
These predictions are welcome news for a country that was administered a dramatic shock in the early 1980s when the price of oil plummeted. Mexico's economy has cruised along nicely on overheated public spending and borrowing abroad. The result of the oil bust was austerity, as wages dropped and inflation soared. "The 1980s were lousy," says Augustin Barrios-Gomez, Mexico's consul general in New York. "Mexicans are trying to restore faith in themselves again."

The worry that remains is whether the government of President Carlos Salinas de Gortari can translate its free enterprise economic policies into benefits that will improve the lot of the average Mexican and thus produce political stability through the 1990s. For, despite the applause from abroad, Mr. Salinas' economic planners know that without major infusions of foreign capital, the Mexican mini-boom may fizzle out.

The uncertainty generated by the Mexican debt negotiations, in fact, slowed the influx of foreign investment in 1989. Preliminary estimates by the Bank of Mexico show the investment total to be $2.2 billion, 15.2 percent less than in 1988.

A better outlook is found in the bank's ledgers, which track Mexico's $80 billion in capital that has left the country in recent years. About $2.5 billion of this flight capital is estimated to have returned last year, lured in part by government incentives. But it will not be easy to convince Mexican millionaires to take the bulk of their money out of such secure havens as southern California, where the cash has been sunk into condominiums and business ventures.

Mr. Salinas, who is speaking at the opening session of the World Economic Forum today in Davos, Switzerland, helped to improve confidence in the domestic economy with the announcement Dec. 3 that the economic stabilization agreement would be extended until the end of July. Under the pact, minimum wage increases will be limited to 10 percent and certain key prices will continue to be controlled. The value of the peso — whose erratic movements in the past have also helped drive money out of the country — will be moderated.



SECRETARIA DE TURISMO DE MEXICO

*President Carlos Salinas de Gortari (inset); Mexico City, the capital, draws more than 1,000 visitors weekly.*

As part of his effort to cut the burden on the government budget, Mr. Salinas has continued to privatize state-run enterprises. About two-thirds of the country's public companies have been sold, including airlines, steel plants and petroleum works.

To encourage greater foreign participation in the Mexican economy, new regulations were enacted in 1989 allowing non-Mexican investors to hold majority stakes for the first time in such industries as iron, steel and cement and secondary petrochemicals. Telecommunications can now be 49 percent foreign-owned. Overall, the government abolished requirements for the review of foreign investments of up to $100 million, provided certain conditions were met. Foreign inves-

*Continued on Page 10*


STOUFFER

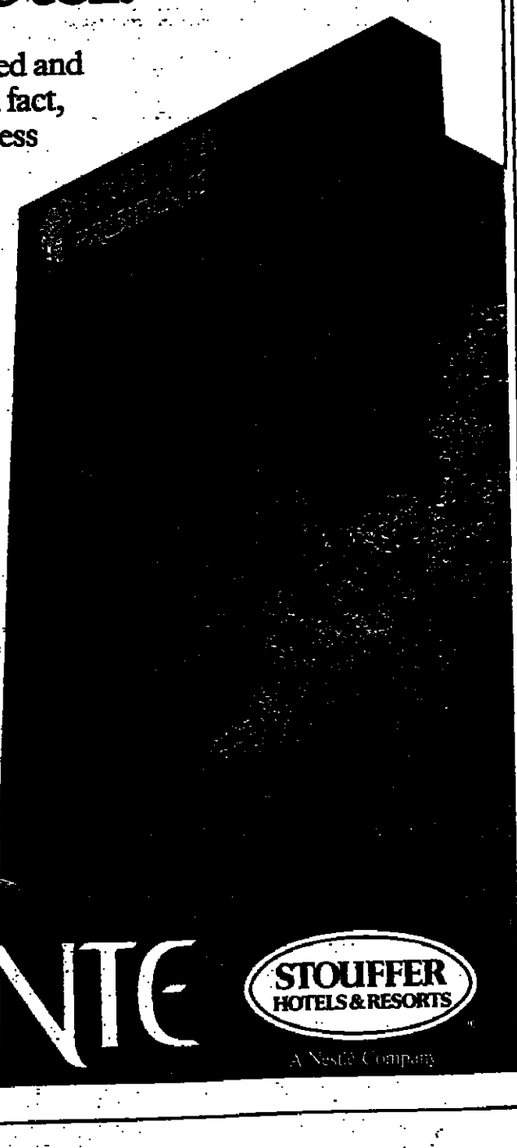
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ADVERTISING SECTION

# Economic and Political Cooperation With the EC

## Fernando Solana, Mexico's Secretary for Foreign Affairs, discusses the potential for increased trade between Mexico and the European Community.

In December 1989, the Mexican government initiated a series of economic measures designed to stimulate economic growth, create jobs and improve the standard of living, especially for those with low incomes who make up the majority of Mexico's population. Based on a concerted effort to modernize the economy and increase productivity in the national interest, the new measures attempt to take full advantage of Mexico's geographic location, consolidate its status as an exporting nation and diversify its partners on the world economic stage.

*Balance of trade with EC now in Mexico's favor.*

For historical and geographic reasons, two-thirds of Mexico's foreign trade is with the United States. Mexican exports to the U.S. market exceeded $13 billion in 1988, while imports from the U.S. to Mexico totaled more than $12 billion.

In order to decrease progressively the concentration of Mexico's trade with the United States, and in the interests of its political and economic equilibrium, the government of President Carlos Salinas de Gortari has resolved to strengthen and develop commercial, economic and political relations with other nations. The present global political climate is particularly favorable both to the multiplicity of international contacts and the development of regional integration.

In recent years, concrete efforts have been made in numerous sectors to further the cause of Latin American integration, as well as to strengthen Mexico's ties with the EC in anticipation of 1992. It is Mexico's firm belief that the strengthening of its existing ties with the EC will provide an ideal opportunity to diversify exchanges and bolster Mexican exports.

Relations between Mexico and the EC officially began with the opening of the Mexican Mission in Brussels in 1960, but it was not until 1975 that a formal agreement was signed to further commercial and economic cooperation.

The Joint Commission for Mexican-EC Cooperation has held discussions to examine ways in which the EC may contribute to Mexico's economic development. Major points under discussion include the removal of tariffs and other trade barriers, the promotion of direct European investment in Mexico, and the development of joint industrial, scientific and technical programs.

The meetings of the Joint Commission for Mexican-EC Cooperation have resulted in a five-year plan for bilateral cooperation to further the interests of all concerned. Mexico's wish is to become an important, active partner of the EC and to be an essential reference point for the EC in all European development strategies in Latin America.



*Fernando Solana, Secretary for Foreign Affairs.*

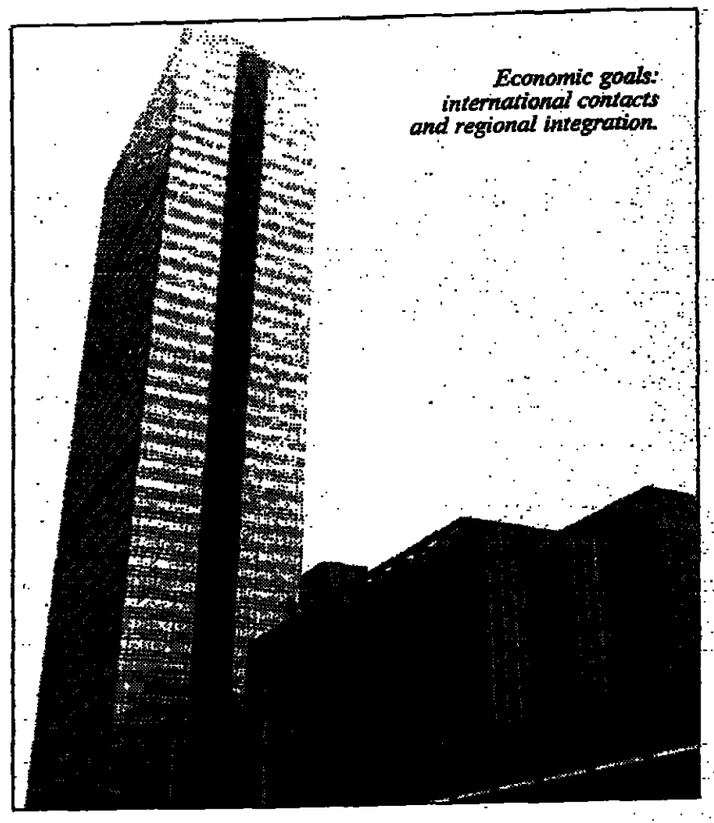
Trade with the EC has been growing in recent years. In 1986 and 1987, the balance of trade showed a surplus of $302 million and $1.027 billion, respectively, in Mexico's favor. In 1988, EC investment in Mexico accounted for 23.4 percent of all foreign investment.

Mexico's major EC investors are the United Kingdom (7.3 percent of total foreign investment), France (3.1 percent) and Spain (2.3 percent).

The volume of trade should and must be increased. Mexico has much to receive, but it also has much to offer. We have a privileged geographical location, with ports on the Pacific and the Atlantic. We neighbor the world's largest economic power.

Later this month, EC Commissioner Abel Matutes is to visit Mexico, which should stimulate the development of new activities and also lead to the evaluation of those efforts already under way. During his visit, Mr. Matutes will officially inaugurate the EC Commission's bureau in Mexico, which will doubtless give bilateral relations an added impulse. In addition, Mr. Matutes' visit illustrates the interest the European countries have in Mexico and their faith in its future.

The multilateral agreements between Latin America and the EC have also helped to develop and diversify those sectors where cooperation is most likely to occur. In addition, the growing importance of Latin America on the international stage has been amply demonstrated. Latin America is Mexico's priority: we are part of the region and united to it by deep historical and cultural ties, we share the region's ideals and projects, and we face common problems.



*Economic goals: international contacts and regional integration.*

Both Europe and Latin America share the same concept of society, based on the respect of human rights, and both agree that political harmony is necessary to strengthen cooperation. We agree on the need to establish a fairer social and economic order on an international scale, in a climate of stability and democracy.

The EC offers Mexico new challenges and opportunities. Numerous exchanges are already underway, and we must now work for continuity. We believe that, with the support of the government, this will be, to a large extent, the responsibility of the Mexican business community.

We live in times of rapid change. Today, Mexico is in a favored position to seize the opportunities offered by the present world situation. It is in Mexico's national interest to work toward full participation in a new, more balanced world economy. The EC can be of great value to Mexico in attaining this goal.

**Fernando Solana,**
**Secretary for Foreign Affairs.**

# Tourism: Mainstay of Economic Plans

As Mexico searches for new ways of attracting foreign capital, it is placing a good deal of hope on one of its traditional money-raisers, the tourism industry. Tourism and related activities account for almost 6 percent of Mexico's GDP, and in the period from 1983 to 1988, visitors spent about $12 billion, according to the Ministry of Tourism.

The goal of the Salinas government is to double the number of vacationers visiting Mexico within five years. To do so, officials are encouraging the development of facilities for travelers of more modest means, as well as the luxury accommodations for which the country has been known. These ambitious goals include the building of 50,000 new hotel rooms, with 100,000 additional beds.

"Tourism brings in large amounts of foreign currency which cost the country nothing," says Miguel Aleman-Velasco, ambassador of Mexico for special affairs. "No non-renewable resource is exported. Instead, money is spent in exchange for services provided and scenery enjoyed."

Tourism is such a big business for Mexico, Mr. Aleman-Velasco adds, that it may soon surpass oil as a revenue earner.

Mexico first began the development of its tourist industry in the late 1940s when the government converted Acapulco into a resort for the rich and famous. But it was not until the late 1960s that authorities, looking for a way to boost the country's foreign exchange earnings, designed a plan to turn Mexico into a major tourist attraction. The plan resulted in five big new resorts: Cancun, Ixtapa, Los Cabos, Loreto and Huatulco.

Foreign investment in the tourism industry is still subject to limitations. Foreigners cannot buy beachfront property outright, but must participate through trusts, and such restrictions are keeping some investors away. The proven profitability of the Mexican tourist industry, however, guarantees that there will never be a real shortage of developers, especially since the government is willing to help out with low-interest loans.

# New Measures

*Continued from Page 9*

tors were also favored by new government regulations protecting technology transfers. The rules give licensers the power to set royalty fees, enhance confidentiality agreements, speed up considerably the approval time for contracts, and restrict the government's ability to intervene in technology agreements.

The United States, Mexico's most important economic partner, has in a number of ways tried to support the Salinas government's policy of liberalization. Under a plan devised by Nicholas Brady, U.S. treasury secretary, the U.S. government has encouraged banks to reduce the debt and interest obligations of Mexico and other developing countries.

Mexico announced in a letter to the International Monetary Fund (IMF) in January that it had made a debt-reduction agreement with 450 commercial banks. The final terms of the renegotiation accord will cut by an average of $3.8 billion per year up to 1994 the annual interest payments on Mexico's $94.5 billion debt.

Mexico will use its own resources as well as financing from the IMF, the World Bank and the Japanese government to acquire the guarantees necessary for debt reduction.

Last October, the United States and Mexico signed an agreement paving the way for a further reduction of tariffs between the countries in specific industrial sectors. Such reductions will probably produce the most benefits for Mexico, which sends about 75 percent of its exports to the United States. And in another sign of warmer trade ties between the two countries, the United States Trade Representative's office removed the threat of economic sanctions following Mexico's promise to sponsor legislation that would penalize businesses that pirate American goods.

Some analysts argue that the United States and Mexico should go further and set their sights on a broader free-trade pact. There is already a flourishing industry, the *maquiladoras*, on the Mexican side of the border, which makes finished products for export to the United States. The number of these factories has more than doubled in the past three years. A more liberal trade agreement would help attract capital back to Mexico for export-oriented industries, while opening new markets for the United States, argues Rudiger Dornbusch of the Massachusetts Institute of Technology.

"Mexico would like to see further liberalization in the steel and textile sectors," says Juan Elek, cochairman of the U.S.-Mexico Business Committee. "Another liberalization option would be the bilateral negotiation of concessions which would then be applied on a Most-Favored-Nation basis," he adds.

New attractions for capital will be necessary because it is unclear whether the Brady Plan goes far enough to produce substantial gains for Mexico, Mr. Dornbusch and other analysts say. Critics point out that the banks were only willing to grant a 35 percent reduction in the debt principle, and that the size of the debt could actually increase in the coming years.

Mexican officials, however, argue that the agreement with the banks is nevertheless beneficial, since the burden of interest payments will be lightened and an aura of greater confidence now surrounds the Mexican economy.

"A growing debt in any country is not always a bad symptom," asserts



*Consul-General Augustin Barrios-Gomez: "Mexicans are trying to restore faith in themselves."*

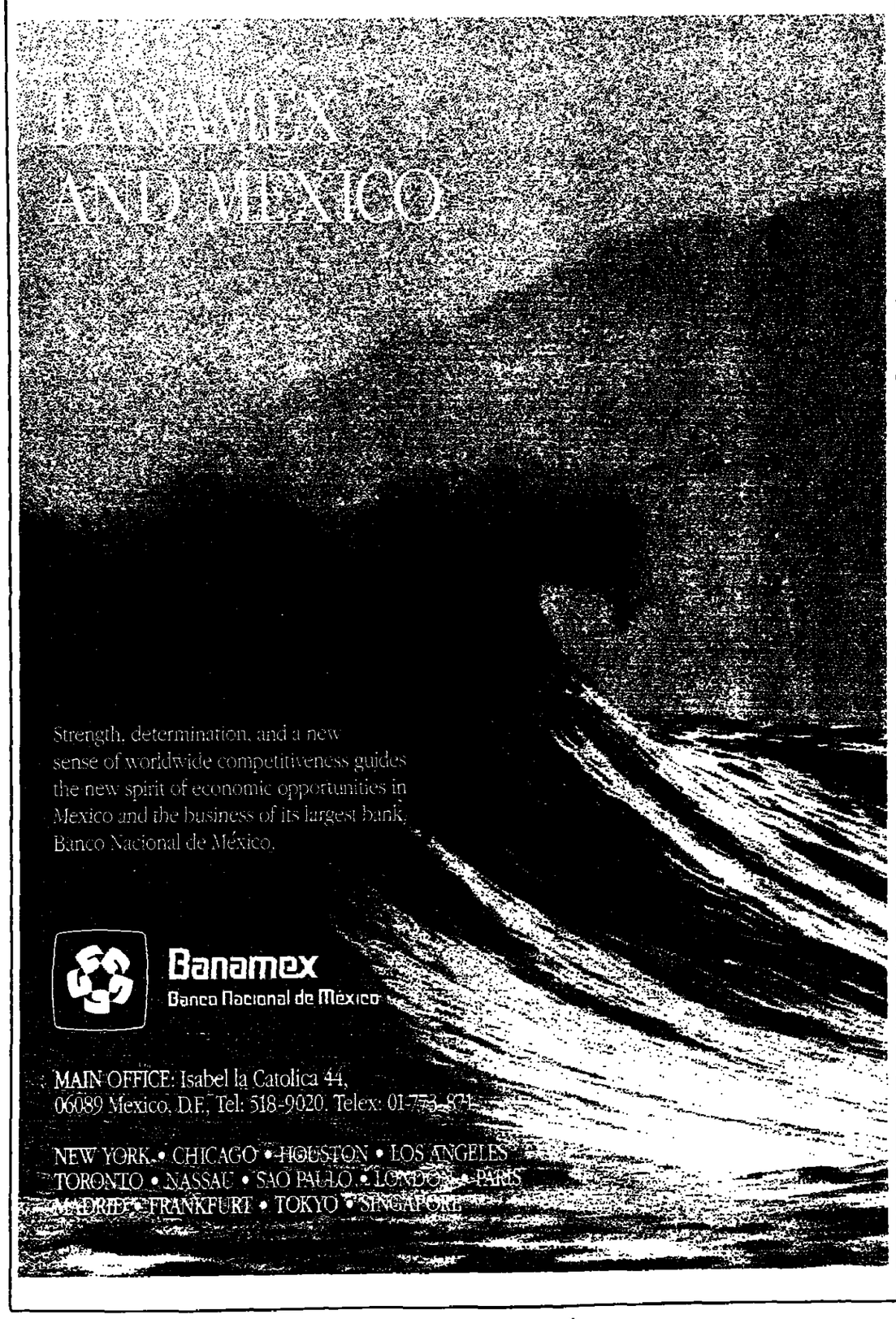
Jose Manuel Rivero, deputy president of the Bank of Mexico. "We should take into consideration the relative importance of the debt compared to the size of the economy and its repayment capacity. The expected rate of growth of the GDP in 1990 is between 3 and 4 percent, while the growth rate of the external debt should be less than 3 percent."

Mr. Rivero adds that in real U.S. dollars, the size of the debt has shown "an important reduction since 1982."

Nevertheless, Mexico's debt renegotiation has forced the government to cut back on government services, which could cause public unrest and also hamper efforts to improve the basic infrastructure required for new business investment.

The government is counting on private investors to pick up the slack in some of the areas where budget cuts have been made or new funds are not available. In transportation, for example, the government is awarding contracts to the private sector to help rebuild the country's road system.

But, warns Alan Ockene, a Goodyear vice president who serves as the chairman of the U.S.-Mexico Chamber of Commerce, Mr. Salinas has to show improvements for the majority of Mexicans within a few years. "If not, the leftists will win and it's back to statism," he believes.


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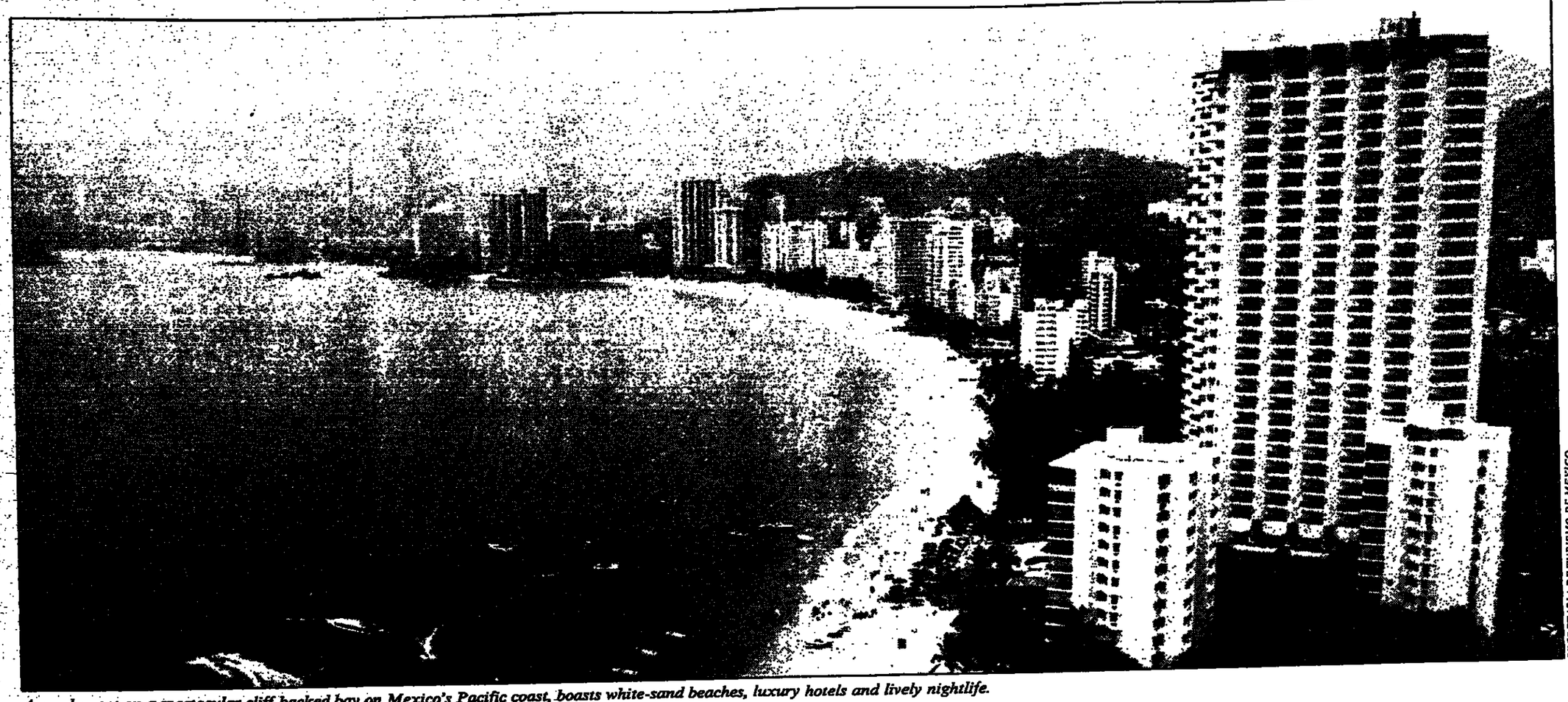
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ADVERTISING SECTION



SECRETARIA DE TURISMO DE MEXICO

*Acapulco, set on a spectacular cliff-backed bay on Mexico's Pacific coast, boasts white-sand beaches, luxury hotels and lively nightlife.*

# Telephones to Tourism: Joint Venture Opportunities

**The diversity of foreign investment deals already in progress between international enterprises and Mexican companies demonstrates the range of possibilities within the Mexican economy, whose attractions include low wages and an adaptable work force. The possibilities have been increased by recent government decisions that dramatically improve conditions for business from abroad.**

"The opportunities for investment in Mexico are phenomenal," exults Gerard J. Van Heuven, vice president of the U.S.-Mexico Chamber of Commerce.

One recent deal involved companies from the United States and Japan. The venture, known as Citra, is designed to produce chicken parts for Japan, in particular the dark meat used to make yakitori, a marinated dish that is grilled on bamboo skewers.

C. Itoh, the giant Japanese trading company, wanted to expand its supplier base for yakitori chicken parts. It approached Tyson Foods, an Arkansas-based chicken producer that it already represented in Japan.

An alliance was formed with Provemex, Mexico's second-largest chicken producer, with financing by the Bank of Mexico. "We can take advantage of the Mexican labor rates to produce chicken for Japan," says Roy Brown, international vice president of Tyson Foods.

Citra discovered that it had to pay workers more than the minimum wage if it wanted to establish a trained labor force that could meet the strict quality and sanitary standards of the Japanese market. The venture, now just one year old, is reportedly processing more than 750,000 chickens per month and is poised to become profitable this year.

Mexican companies are still waiting for Japanese firms to arrive in greater numbers, however. Japanese executives apparently are worried that the government's new regulations encouraging foreign investment are not firm enough. The country's limited infrastructure is another drawback.

But as the Mexican government struggles to improve these services, more traditional investments are thriving. The country's generous endowment of sun and water has inspired a number of recent joint ventures in the tourist industry, including one between Marriott and Cementos Mexicanos, the world's fourth largest cement company, to spend $500 million on five new resorts.

On a completely different plane, a group of film industry veterans from the United States and Mexico has announced plans to build an "entertainment city" in Baja, just south of the California border. The project includes a film studio, theme park, motion picture museum and zoo. Work on the ambitious project, to be partially financed by Deutsche Bank of West Germany, is scheduled to begin in May.

Compared to the United States, "picture-making in Mexico is a dream," asserts Henry Erhlich, a former executive of a Mexican studio who is working with World Pacific Studios International, the group planning the Baja project. "It costs considerably less [to make movies in Mexico], and the people are warm and hard-working."

Mr. Erhlich says the location of the Baja studio will be convenient for Hollywood producers who want to keep expenses down but do not want to travel halfway around the world to take advantage of a low-cost locale. The World Pacific Group also hopes to bring in a good deal of income by creating Disney-like attractions for families.

In the high-tech area, Bell Atlantic International, part of the Bell company that serves a portion of the eastern United States, has joined with Industrias Unidas, a diversified Mexican manufacturing and services company, to submit a bid to the Mexican government to provide cellular mobile telephone service in three regions of the country. The cellular phone networks are in particularly high demand in countries such as Mexico, whose telephone systems are antiquated, because they can be installed with a relatively small investment.

"If we are successful in obtaining the concession for the cellular operations, it would be a good entry into the Mexican marketplace," says Jack Baird, a Bell Atlantic spokesman. "As that country's economy grows — it's stabilizing now — we think there will be additional opportunities."

The Mexican government's privatization policy toward state-owned enterprises has also opened up foreign investment opportunities. Last August, a group of Mexican and foreign investors, including the Sidek Group, a Guadalajara conglomerate, and the Chase Manhattan Bank, formed a consortium that injected $140 million in cash into Mexicana, one of the country's two airlines.

The government will maintain a 40 percent share in Mexicana, which will gradually be reduced over the next few years as the company is turned over completely to private investors. Mexicana will use the initial investment — which is accompanied by a pledge to invest an additional $3 billion over the next three years — to update its fleet, expand its services and develop new routes.

The government is also looking for foreign investors to help privatize Telmex, the national telephone company. American and European companies have held talks with Mexican investors, but the estimated high price of modernizing the nationwide system — close to $10 billion — has kept the discussions at a preliminary stage so far.

Of course, some foreign companies have operated successful joint ventures in Mexico for years. In 1971, Monsanto, the Missouri-based chemical firm, teamed up with Grupo Senderos, one of Mexico's biggest private companies (now known as DESC Sociedad de Fomento Industrial) to make polystyrene, phosphate salts, glue and other chemical products for the Mexican market.

The venture's success was in part due to the high tariff walls erected by the government to keep out competitive goods. "If you didn't make money as an investor in the 1970s, you were pretty dumb," says Robert Walter, Monsanto's vice president for Latin America.

Now that the favorable tariffs have been slashed, the Monsanto venture has been forced to trim its 5,000-person staff by 30 percent to remain efficient in the face of foreign goods. "The game has changed from import substitution to competing in the global economy," Mr. Walter says.

This advertising section was written by Steve Dryden, a journalist based in Washington, D.C.

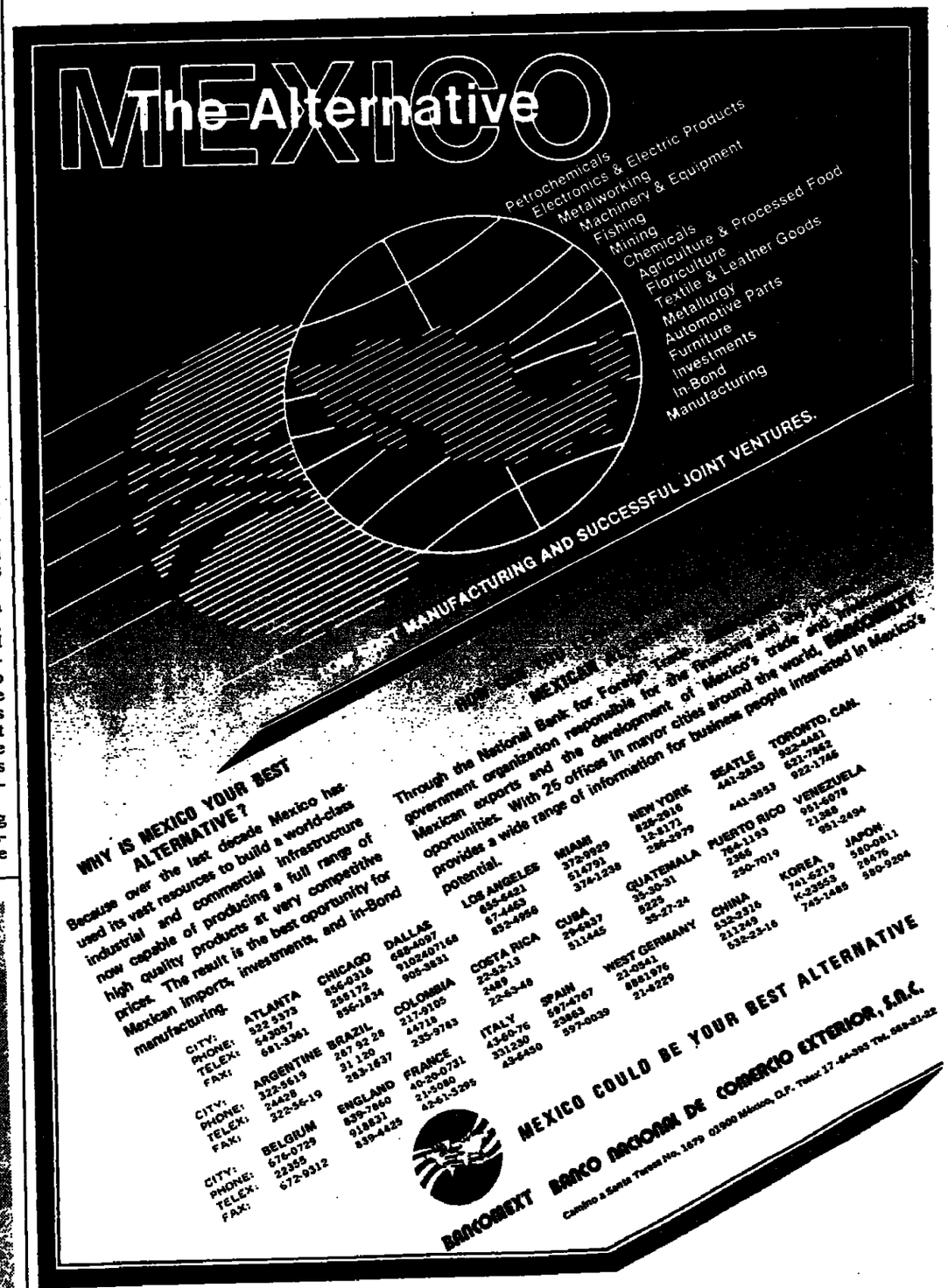
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INTERNATIONAL MANAGER

## Going Green at the Top: Business to the Rescue?

By Sherry Buchanan
*International Herald Tribune*

LONDON — With a hole in the ozone layer, gobs of oil on Alaska's coast and contaminated reindeer meat in Lapland, green is on every self-respecting adman's mind. "We wouldn't ask your children to pay the Earth for today's energy," says British Coal in a current ad campaign. Montedison SpA says it is "bringing forth solutions that are technologically advanced yet ecologically sound."

Environmental pressure groups welcome the change in managers' awareness of environmental problems, though nobody expects a green image to turn profit-making organizations into environmental saviors.

"It's a plus, but the danger is that if their image is perceived to be green, they will become complacent," said Madeleine Cobbing, a toxic wastes campaigner for Greenpeace in London.

**More managers are espousing environmental concerns.**

A survey of 500 British directors by the Institute of Directors found that a large majority, 77.3 percent, do not have an environmental policy in their company. Yet they were all aware of the problem; 62 percent used unleaded gasoline and 48 percent said they were under pressure from their families to do something about the environment at work.

"In the '70s, environmental concerns were not shared by companies," said Raymond van Erman, secretary general of the European Environmental Bureau in Brussels. "There is definitely an evolution in management thinking, especially in Northern Europe. Of course, their new image is only part of the truth."

A recent MORI poll of 200 senior British managers found them to be much "greener" than the general public: 92 percent watch television concerning environmental topics, two-thirds said they select green products, 65 percent say they give money to green causes and 20 percent say they belong to green organizations.

"In the last 12 months, the environment has become part of a new orthodoxy, it's conventional," said Tom Burke, director of Green Alliance, an environmental pressure group in London. "It is no longer on the fringe like in the '70s."

THE CORPORATE REACTION, he said, "is totally different because the '60s kids are now near or on the board, though they still are not running the company. The corporations may not be serious but some individuals are."

Environmental Data Services, the independent trade publication, estimates that in the last year, several known polluters such as Rhône-Poulenc SA of France, Ciba-Geigy AG of Switzerland and Imperial Chemical Industries PLC of Britain have made serious efforts through capital expenditures, training programs and reward systems to turn their corporate culture green.

SAS, the Scandinavian airline, has an environmental suggestion box to encourage employees to come up with green ideas, and Lars Bergvall, head of the airline, is a member of Greenpeace and local environmental groups.

"I don't see any contradiction between being in charge of an airline and trying to preserve the environment," said the 49-year-old Swedish senior executive, who supports Swedish government's proposals to levy fees on emission levels. "Via my job, I get a chance to influence the manufacturers of SAS's aircraft. But being in a competitive environment, we must keep track of our costs."

But Mr. Bergvall does not believe that future Euromanagers are so green as to turn down a good job offer just because the company doesn't have a good track record on environmental issues.

The optimists hope that money will talk. Current thinking at business schools is that going green makes good business sense.

"The capital markets will operate to make companies act more responsibly because of the huge liability problems they face if they don't," said Scott Barrett, a lecturer at London Business School who is starting a course for MBA students on the environment and business.

## Cohen's Fall Illustrates Wall Street Woes

By Lawrence Malkin
*International Herald Tribune*

NEW YORK — With the resignation of Peter A. Cohen as head of Shearson Lehman Hutton Inc., one of Wall Street's highest flyers has been forced back to earth, a victim of his own overreaching ambitions and those of the securities industry itself.

Mr. Cohen, 43, was ousted as chairman of Shearson Lehman by its parent, American Express Co., on Tuesday.

The onetime workaholic number cruncher who tried to turn himself into an investment banking star, will be replaced by the chief financial officer of American Express, Howard Clark Jr. Mr. Clark will work under the tighter leash of a newly created finance committee reviewing Shearson's financial commitments.

As the agglomeration of historic Wall Street names in Shearson attests, this financial supermarket was a product of the 1980s years of boom and greed. It appears that little time will be wasted in recasting Shearson and other Wall Street firms into more modest roles in the leaner 1990s.

Since the end of 1987, total employment in the New York securities industry has declined from about 163,000 to 145,000, and more pink slips are expected. Estimates of the expected cut in jobs range from 10,000 to 35,000.

Perrin Long, an analyst at Lipper Analytical Securities Corp., one of the veteran analysts of the industry, said the company would have to revert to something like "the Shearson of old," downgrading its mergers and acquisitions activities and retreating from other areas.

Mr. Cohen had been trying to raise several hundred million dollars by issuing new stock. This bid to expand when the securities industry is contracting was blocked in angry exchanges by James D. Robinson III, American Express Co.'s conservative chairman, who was worried about the decline in the parent company's stock price.

American Express took over Shearson Loeb Rhodes, as it was then known, in 1981 with the aim of becoming a dominant financial company. Mr. Cohen became Shearson's president in 1983 at the age of 36 — the youngest head of a major Wall Street firm in memory — and began an aggressive campaign of expansion.

He kept right on despite warning signs, acquiring E.F. Hutton & Co. and its huge retail network for about $962 million in January 1988, after the Wall Street collapse.

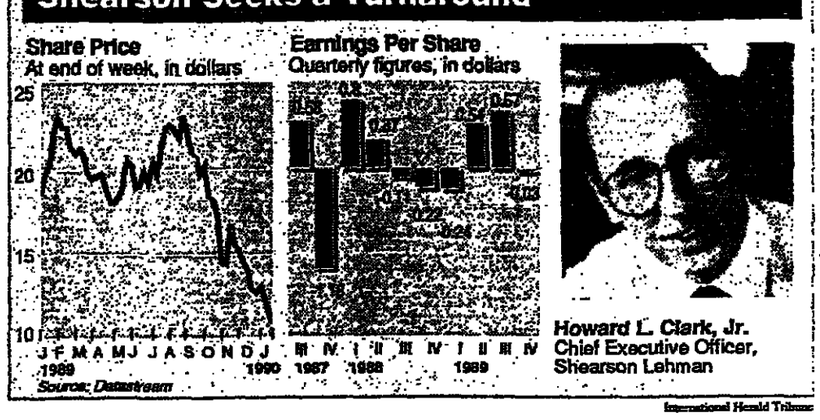
"In hindsight," Mr. Robinson said Tuesday, "knowing what we know, we probably wouldn't have done the Hutton deal."

*In a transformation worthy of a* character from Tom Wolfe's best-selling novel "Bonfire of the Vanities," Mr. Cohen also tried unsuccessfully to get into the big leagues of the takeover game.

But he failed to get a share of the RJR Nabisco Inc. buyout, the biggest in Wall Street history. RJR was taken over last year for $25 billion by Kohlberg Kravis Roberts & Co., with Shearson losing out on

See SHEARSON, Page 17

**Shearson Seeks a Turnaround**






Howard L. Clark, Jr.
Chief Executive Officer,
Shearson Lehman

International Herald Tribune

## U.S. Indicators Gain 0.8% but Trend Sluggish

*Compiled by Our Staff From Dispatches*

WASHINGTON — A sharp rise in durable-goods orders pushed the U.S. government's index of leading economic indicators up 0.8 percent in December to bring the annual gain to a modest 0.4 percent — the lowest in five years, the Commerce Department reported Wednesday.

The annual total was the lowest since 1984, when the index declined 1.5 percent. The index, which is used by the government to forecast future economic activity, gained 3.9 percent in 1988.

Economists had expected the index to rise 0.5 percent in December, after a 0.1 percent gain in November and a fall of 0.3 percent in October.

Despite the larger-than-expected gain in December, economists said the index reflects a general sluggishness in the economy.

"This number today does not portend stronger economic activity," said Mickey Levy, chief economist at First Fidelity Bancorp in Philadelphia. "We've been predicting a 'touch-and-go' with recession."

David Wyss, economist at Data Resources Inc. of Lexington, Massachusetts, agreed. "Generally, the leading economic indicators have been flat for the past year and we think that's what the economy will be for this year — a bit of bobbling around but no recession. Just slug-gish growth," he said.

Federal Reserve Board chairman Alan Greenspan told a congressional panel Tuesday he believes the probability of a recession within the next six months has declined.

Mr. Greenspan, who acknowledged the economy has been "less vigorous" and is stuck in a "temporary hesitation," said the government will not know for sure if the threat of a recession has waned until spring economic data are reviewed.

In its leading indicators report, the government said six of the 11 components used to create the index rose during December.

The greatest contributor to the gain was the change in the unfilled orders of manufacturers, followed by contracts and orders for plant and equipment, stock prices, money supply, building permits and the index of consumer expectations.

Analysts said plant and equipment orders and unfilled orders for durable goods were mostly in the aircraft industry and accounted for the bulk of the increase.

The strong aircraft orders are directly related to manufacturers updating and replacing their aging fleet, economists said, while the broader economy is on the same slow growth track seen in recent economic statistics.

Among components making a negative contribution to the index were higher average weekly jobless claims, lower manufacturers' new orders for consumer goods and slower vendor deliveries.

Economists said the indicators are likely to decline during January because of falling stock prices and a possible slip in the U.S. money supply. *(UPI, Reuters)*

## OECD Warns Greece to Curb Public Deficits

*Reuters*

ATHENS — Greece faces a bleak economic future unless drastic action is taken to curb public-sector deficits and ensure growth, the Organization for Economic Cooperation and Development said on Wednesday.

Its unusually strongly worded 1989-90 survey on Greece warned that confidence in future growth and stability must be restored for economic prospects to improve.

"The short-term outlook is for a continuation of disappointing trends," the OECD report said. "Changes in both macro- and microeconomic areas are urgently called for."

An all-party government led by the economist Xenophon Zolotas was formed in November to tackle the economic crisis. But its measures, the OECD said, might give only temporary respite, as they did not confront fundamental causes of big public deficits.

Inflation, already the highest in the European Community at an annual rate of 14.8 percent, may reach 17 percent in 1990, and the growth of gross domestic product could slow to less than 2 percent, compared with 2.5 percent last year and 4.2 percent in 1988.

The current-account deficit for 1989 may reach $2.5 billion, or nearly 5 percent of GDP, compared with less than $1 billion, and below 2 percent in 1988, the OECD said.

It forecast that the unemployment rate in 1990 would rise to 8.6 percent of the work force from 7.8 percent in 1989, and that public-sector borrowing would increase to 21.8 percent of GDP from 21.5 percent.

The total public debt now equals the GDP, estimated at 8.7 trillion drachmas ($55.4 billion) in 1989, and will go on rising rapidly if high borrowing needs are not cut, it said.

Political uncertainty — the third election in 10 months is set for April — and scrapping a 1986-87 austerity plan, have worsened chronic economic problems, the OECD said.

"What is needed are far-reaching reforms, notably in the fiscal and social-security area, and in the state-controlled business sector," the OECD said.

To reduce public debt, which would help curb inflation and encourage growth, the OECD proposed measures including widening the tax base, increasing taxes on oil and fighting tax fraud.

Restoring fiscal discipline now is important, the report said, given that the European Community plans to remove all controls on capital movements by July 1.

It cautioned against devaluing the drachma, but suggested a series of what it said could be politically sensitive reforms, such as the privatization of ailing state companies and private participation in financing health, education and highways.

The OECD reported warned that "delaying necessary adjustments carries important risks, with costs to the economy tending to rise progressively over time."

The report concluded that "for reforms to be successful there must be above all a strong will for fundamental change on the part of both the political authorities and the public at large."

## *Home Sales In U.S. Fall to 5-Year Low*

*The Associated Press*

WASHINGTON — In another sign of economic sluggishness, the U.S. government reported Wednesday that sales of new homes slumped 9.6 percent in December, to drag sales in 1989 to their lowest level in five years.

The Commerce Department said new single-family homes were sold at a seasonally adjusted annual rate of 629,000 units in December, after increasing by a revised 9.3 percent in November.

For the year, sales totaled 650,000, down 3.8 percent from the 676,000 sales in 1988. Sales in 1989 were the lowest since 639,000 units were purchased in 1984.

Analysts have cited high mortgage interest rates for much of the decline. But most economists have been looking for improving home sales as mortgage interest rates declined.

## Stock Funds Lose Shine After Market Plunge

By Floyd Norris
*New York Times Service*

NEW YORK — Mutual fund investors, who showed increasing confidence in the stock market for most of 1989, have begun to withdraw money from equity mutual funds for the first time in months, fund officials say.

The new caution comes after a sharp fall in share prices, and may have accelerated last week's decline by forcing some funds to sell stocks to raise cash to pay nervous investors.

Since it reached a high of 2,810.15 on Jan. 2, the Dow Jones industrial average has dropped 9.5 percent.

"Last week is when it really all happened," said Michael Hines, a vice president of Fidelity Investments, referring to the turnaround in investor behavior.

As a result of the reversal, Mr. Hines said, it appears more money will be withdrawn from Fidelity stock funds than is invested in them for the month of January.

"In December, people were shifting cash from money-market funds to equity funds," said Steven Norwitz, a spokesman for the T. Rowe Price group of mutual funds. "This month they are shifting back."

The comments came as the Investment Company Institute released figures showing that cash was flowing rapidly into stock funds as 1989 ended.

The flow of $2.4 billion into equity funds in December was the largest for any month since August 1987, and raised the total for the year to $5.8 billion, compared with an outflow of $16.2 billion in 1988.

Stock funds had a net inflow of cash in each of the final six months of last year.

The total inflow in that period was $7.4 billion, after $1.6 billion flowed out in the first half of the year.

For several months in late 1989, the managers of equity funds were more cautious than investors in the funds.

But in December, the managers put much of their available cash to work, buying stocks as the market was peaking.

As a result, the percentage of stock fund assets held in cash and money-market investments fell to 10.4 percent at the end of December, from 11.1 percent a month earlier.

For funds that invest in high-yield junk bonds, the outflow of cash continued in December, with $664 million flowing out. Evidently hoping for a rebound in junk bond prices, fund managers paid out

See FUNDS, Page 14

## *BOJ's Focus on Land Stirring Rate Concerns*

*Reuters*

TOKYO — The Bank of Japan has set itself a mission — to slow Japan's surging land prices. That has investors worried.

The markets are afraid that the central bank may be forced to raise interest rates even higher than they are now if it wants to check the upward spiral in real estate prices, analysts said.

The Bank of Japan raised its discount rate three times last year, to 4.25 percent, from a record low 2.5 percent.

"I'm worried about how high rates may have to go," said a top official at a major money brokerage.

That is because easy money is not the only reason for the land-price boom. Scarce supply is a factor too, and that cannot be cured by high interest rates. Investors are also worried because high land prices have been a major prop for the stock market, analysts said. As land prices rose, investors bid up shares to reflect the increased value of those hidden assets.

Share prices of some domestically oriented companies, including real estate firms, have fallen more than 20 percent recently, battered by a big jump in long-term interest rates.

"The environment surrounding them does not generate enthusiasm," said Peter Tasker, a senior analyst at Kleinwort Benson.

"The new regime at the BOJ seems to be taking a much tougher line on asset inflation," he said.

Yasushi Mieno, who took over the reins as Bank of Japan governor in the middle of December, regularly cites high land prices as a potential source of inflationary pressure.

"A rapid rise in land prices could help push up housing rents, possibly fanning inflationary expectations," he told businessmen last week.

Consumer price inflation soared to its highest level in five years last year, to 2.3 percent from 0.7 percent in 1988.

Central bank officials also expressed concern that a speculative property-price bubble could shatter consumer and corporate confi-

See BOJ, Page 17

## CURRENCY RATES

**Cross Rates** — Jan. 31

| | $ | £ | D.M. | F.F. | lt.L. | Guil. | B.F. | S.F. | Yen |
|---|---|---|---|---|---|---|---|---|---|
| Amsterdam | 1.898 | 3.7985 | 1.1279 | 0.3719 | 0.1518 e | — | 5.391 e | 1.2703 | 1.3133 e |
| Brussels(c) | 35.205 | 99.7025 | 29.573 | 4.1385 | 2.8153 e | 18.554 | — | 23.5725 | 0.044 |
| Frankfurt | 1.4824 | 2.82 | — | 0.2945 | 0.1207 e | 0.8572 | 4.762 e | 1.127 | 1.1465 e |
| London (b) | 1.5885 | — | 2.8345 | 0.6148 | 2.381.00 | 2.1388 | 59.385 | 2.3255 | 342.465 |
| Milan | 3,253.00 | 2,183.50 | 742.70 | 218.75 | — | 439.10 | 35.534 | 857.82 | 0.443 |
| New York(c) | — | 1.4775 b | 1.4885 | 0.7325 | 1,254.00 | 1.702 | N.A. | 1.5035 | 144.55 |
| Paris | 5.716 | 9.6715 | 3.3964 | — | 0.4572 e | 3.853 | 0.1424 | 3.8275 | 3.942 e |
| Tokyo | 144.25 | 241.38 | 85.41 | 25.34 | 0.7152 | 75.80 | 4.0518 | 96.42 | — |
| Zurich | 1.4943 | 2.5117 | 0.8884 | 0.2615 | 0.1197 e | 0.7882 | 4.345 e | — | 1.036 e |
| 1 ECU | 1.2122 | 0.7307 | 2.0481 | 6.9267 | 1,515.43 | 2.2996 | 42.4646 | 1.8104 | 174.974 |
| 1 SDR | 1.2556 | 0.7877 | 2.2204 | 7.5771 | N.Q. | 2.514 | 46.4674 | 1.9778 | 191.884 |

*Closings in London and Zurich, fixings in other centers. New York closing rates. a: Commercial franc; b: To buy one pound; c: To buy one dollar; e: Units of 100; N.Q.: not quoted; N.A.: not available.*

**Other Dollar Values**

| Currency | Per $ | Currency | Per $ | Currency | Per $ | Currency | Per $ |
|---|---|---|---|---|---|---|---|
| Argent. austral | 1650.0 | Fin. markka | 3.961 | Mex. peso | 2710.03 | S. Afr. rand | 2.5545 |
| Austral. $ | 1.3004 | Greek drac. | 157.50 | N. Zealand $ | 1.6691 | Soviet ruble* | 0.5995 |
| Austr. schil. | 11.85 | Hong Kong $ | 7.8165 | Nls. guilder | 2.2995 | Span. peseta | 108.75 |
| Brazil cruz. | 17.270 | Indian rupee | 17.007 | Norw. krone | 6.695 | Swed. krona | 6.10 |
| Canadian $ | 1.1884 | Indo. rupiah | 1794.01 | Phil. peso | 22.18 | Taiwan $ | 25.95 |
| Chinese yuan* | 4.72 | Irish £ | 0.6347 | Port. escudo | 147.75 | Thai baht | 25.55 |
| Danish krone | 6.505 | Israeli shek. | 1.98 | Saudi riyal | 3.748 | Turkish lira | 2327.84 |
| Egypt. pound | 2.5682 | Japanese yen | 0.2881 | Sing. $ | 1.8685 | UAE dirham | 3.67 |
| | | Malay. ringg. | 2.6965 | S. Kor. won | 688.85 | Venez. bolfv. | 43.45 |

*New York rates unless marked * (local rate.)*

**Forward Rates**

| Currency | 30-day | 60-day | 90-day | Currency | 30-day | 60-day | 90-day |
|---|---|---|---|---|---|---|---|
| Pound Sterling | 1.5719 | 1.5630 | 1.5544 | Canadian dollar | 1.1935 | 1.1978 | 1.2013 |
| Japanese Yen | 144.14 | 144.01 | 143.86 | Swiss franc | 1.4718 | 1.4805 | 1.4888 |
| Deutsche mark | 1.4799 | 1.4798 | 1.4799 | | | | |

*Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.*

## INTEREST RATES

**Eurocurrency Deposits** — Jan. 31

| | Dollar | D-Mark | Swiss Franc | Sterling | French Franc | Yen | ECU | SDR |
|---|---|---|---|---|---|---|---|---|
| 1 month | 8 ⅛-8 ¼ | 7⅛-8 | 9⅛-9⅜ | 15-15⅛ | 10⅛-10¼ | 6⅛-6¼ | 10⅛-10⅜ | 8¼ |
| 2 months | 8¼-8⅜ | 8-8⅛ | 9⅛-9⅜ | 15-15⅛ | 10⅛-10⅜ | 6 ⅛-7 ⅛ | 10 ⅛-11 ⅛ | 8⅜ |
| 3 months | 8⅛-8⅜ | 8⅛-8¼ | 9⅛-9⅜ | 15⅛-15¼ | 10 ⅛-10 ⅜ | 6 ⅛-7 ⅛ | 11-11⅛ | 9 |
| 4 months | 8 ⅛-8 ⅜ | 8⅛-8⅜ | 9⅛-9⅜ | 15⅛-15⅜ | 11-11⅛ | 7⅛-7⅛ | 11⅛-11⅜ | 9 ⅛ |
| 1 year | 8 ⅛-8 ⅜ | 8 ⅛-8 ⅜ | 9 ⅛-9 ⅜ | 15-15⅛ | 11⅛-11⅛ | 7 ⅛-7 ⅛ | 11⅛-11⅜ | 9¼ |

*Sources: All Reuters except ECU: Lloyds Bank. Rates applicable to interbank deposits of $7 million minimum (or equivalent).*

**Key Money Rates** — Jan. 31

| United States | Close | Prev. |
|---|---|---|
| Discount rate | 7.00 | 7.00 |
| Prime rate | 10.00 | 10.00 |
| Federal funds | 8.3/4 | 8 3/16 |
| Com paper 30-179 days | 7⅛ | 7⅛ |
| 3-month Treasury bills | 7.24 | 7.24 |
| 6-month Treasury bills | 7.19 | 7.19 |
| 1-year Treasury bills | 7.53 | 7.53 |
| 30-year Treasury bond | 96 15/32 | 96 13/32 |
| 3-month CD's | 7.85 | 7.57 |
| 6-month CD's | 7.85 | 7.57 |
| **Japan** | | |
| Discount rate | 4¼ | 4¼ |
| Call money | 6 15/32 | 6 15/32 |
| 3-month interbank | 6 29/32 | 6 29/32 |
| 6-month interbank | 6 29/32 | 6 29/32 |
| **West Germany** | | |
| Discount rate | 6.00 | 6.00 |
| Lombard rate | 8.00 | 8.00 |
| Call money | 7.00 | 7.25 |
| 1-month interbank | 7.45 | 7.90 |
| 3-month interbank | 8.10 | 8.25 |
| 6-month interbank | 8.40 | 8.45 |
| **Britain** | | |
| Base lend rate | 15.00 | 15.00 |
| Call money | 14⅜ | 14⅜ |
| 3-month interbank | 15 3/32 | 15 3/32 |
| 6-month interbank | 15 3/32 | 15 1/16 |
| **France** | | |
| Intervention rate | 10.00 | 10.00 |
| Call money | 10 11/16 | 10⅝ |
| 1-month interbank | 10⅝ | 10 9/16 |
| 3-month interbank | 10⅝ | 10 13/16 |
| 6-month interbank | 11 1/16 | 11.00 |

*Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.*

**Asian Dollar Deposits** — Jan. 31

| | |
|---|---|
| 1 month | 8¼ - 8⅜ |
| 2 months | 8¼ - 8⅜ |
| 3 months | 8¼ - 8⅜ |
| 6 months | 8⅛ - 8¼ |
| 1 year | 8 ⅛ - 8 ⅜ |

*Source: Reuters.*

**U.S. Money Market Funds** — Jan. 31

| | |
|---|---|
| Merrill Lynch Ready Assets 30-day average yield: | 7.45 |
| Telerate Interest Rate Index: | 8.125 |

*Source: Merrill Lynch Telerate.*

## GOLD

Jan. 31

| | A.M. | P.M. | Close |
|---|---|---|---|
| Hong Kong | 417.25 | 417.85 | —0.30 |
| Luxembourg | 417.50 | — | —0.45 |
| Paris (12.5 kilo) | 418.27 | 414.81 | —2.26 |
| Zurich | 417.65 | 415.25 | —2.50 |
| London | 417.55 | 415.85 | —2.10 |
| New York | — | 412.25 | —5.40 |

*Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.*

*Source: Reuters.*


# East-Germany

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# U.S. Machine Tool Makers Look Abroad

By Jonathan P. Hicks
*New York Times Service*

NEW YORK — Troubled by the slump in the auto industry and competition from the Japanese, U.S. makers of machine tools have been looking to new businesses and markets overseas, particularly in Western and Eastern Europe.

Analysts and executives say it is too early to tell how successful the manufacturers will be, and some say the efforts will never be able to offset the downturn in automotive orders. But there have been notable accomplishments, they say.

Litton Industries' machinery unit, for example, has been winning contracts in Europe and has a nearly $200 million backlog for machine tools used in making engines, transmissions and brake systems for Ford Motor Co. in Britain.

Cincinnati Milacron Inc. has been seeking business from the aerospace industry. And Giddings & Lewis Inc. has become more aggressive in its sales efforts overseas, trying to drum up business in Eastern Europe and the Soviet Union.

"Demand for machine tools is growing at a quicker pace in Western Europe, Japan and in newly developed economies than in the United States," said John F. Townsend, vice president of planning and business development for Giddings & Lewis. "And we hope to take advantage of that."

Power-driven machine tools cut or shape metal parts used in a wide array of products, from appliances and vehicles to aircraft and construction materials. The strength in machine-tool orders generally reflects strength in industrial production.

The Association for Manufacturing Technology reported Monday that new orders for machine tool products dropped 22 percent last year, to $2.81 billion.

Several analysts estimate that new orders will fall an additional 14 percent, to about $2.4 billion, this year. That would be down significantly from the peak of $3.6 billion in 1988, but much better than 1986 and 1987 levels, when orders sagged to about $2.1 billion.

The immediate impact of smaller orders from the auto industry is negligible because machine-tool makers are still working at near capacity. Shipments were up 33 percent in 1989, while order backlogs at the end of the year totaled $1.8 billion, up sharply from the $1.2 billion at the start of 1988.

Auto makers, which historically have accounted for about a third of the nation's machine-tool orders, have responded to slumping sales by slowing production and deferring capital spending. As a result, machine tool makers are now looking more to other industries.

For example, Giddings & Lewis, a producer of high-precision machine tools based in Fond du Lac, Wisconsin, sold more than $1.5 million worth of boring mills and drill point grinders to the Soviet Union last year.

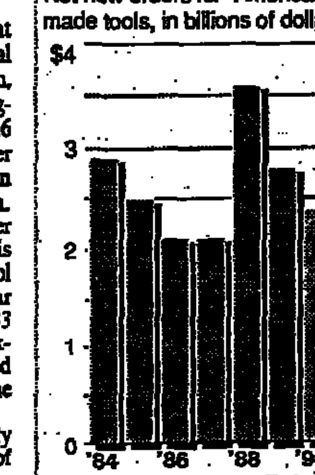
"Things are opening up in Eastern Europe and we hope to take advantage of that," said John F. Townsend, vice president of planning and business development.

He said Giddings & Lewis's overseas sales climbed 15 percent last year. "We feel we've had a breakthrough," he said.

Automotive orders typically account for 20 percent of the business of Cincinnati Milacron, the third-largest U.S. machine tool maker. Its president, Daniel J. Meyer, said, "Our aerospace orders are up to 30 percent of our business from 20 percent last year. We can see a continuing good demand for machine tools in the aerospace sector, in both the commercial and defense side."

**Tool Orders Slip**

Net new orders for American-made tools, in billions of dollars.



Source: Association for Manufacturing Technology. * Estimate

NYT

But many analysts are cautious.

"Exports are still only a small part of the market, maybe about 5 percent," said Walter F. Carter, vice president of DRI/McGraw Hill. "So the export efforts will help, but only partially."

Another problem is the increasing number of Japanese machine-tool companies with operations in the United States. Figures from the Japan Economic Institute indicate that the number has grown to 36, from 17 before 1987. Analysts say the impact has been noticeable.

"They are here to serve the Japanese auto companies that have operations in the United States and there is a great deal of loyalty on the part of Japanese auto companies toward Japanese machine tool companies," said James J. Paper of Kirkpatrick, Pettis, Smith, Polian of Omaha.

Mr. Meyer and other U.S. machine tool executives hope that big backlogs will keep them busy and that many of the stalled spending programs in the auto industry will be started again within months.

They also hope that new government emissions standards will be detailed by this summer, prompting auto manufacturers to begin ordering tools to make new engines.

"We expect the current market conditions to have very little impact on our business," said James A. Egbert, president of Cross Co. a unit of Cross & Trecker Corp., in Bloomfield Hills, Michigan.

Some analysts consider such attitudes overly optimistic.

Mr. Carter of DRI/McGraw Hill said machine tool companies would be better off "improving quality and marketing heavily elsewhere and in other industries."

But moves into other industries are easier said than done, particularly for companies without a substantial foothold in those industries.

"You're not going to be a reliable supplier to the aerospace industry unless you are a regular supplier to the aerospace industry," said E. Kidder Meade, vice president for Litton Industrial Automation.

# FUNDS: *Many Investors Pull Back Following January Stock Market Rout*

(Continued from first finance page)

much of that cash from liquid assets, rather than sell bonds.

As a result, the proportion of cash in junk bond funds fell to 6.9 percent, from 7.7 percent a month earlier.

That was the lowest cash level for those funds since March 1988, and left them with a need to sell bonds as redemptions continued this month.

The cash-flow figures include sales and redemptions as well as transfers among different mutual funds. They do not include dividends that are automatically reinvested.

The outflow of cash from equity funds was most significant at the fund groups that market funds directly to investors, like Fidelity and T. Rowe Price. The changes were less dramatic at funds sold through brokers, whose cash flows are generally less volatile.

"We're back to where we were in the fall," with small net outflows from equity funds, said John Reilly, a spokesman for Massachusetts Financial Services, where equity cash flow was positive in November but flat in December.

At Lord Abbett & Co., Peter Benzie, director of marketing, said that while the cash flow of a couple of equity funds was flat this month, the rest had a net gain.

The outflow at the funds marketed directly to investors was concentrated among the minority of investors who try to time market changes by moving cash among different funds.

The level of new sales remained strong, fund managers said, indicating that many investors have remained positive about stocks despite their recent weakness.

In December, sales of stock mutual funds, not including reinvested dividends or transfers from other funds, totaled $5.5 billion, the highest for any month since the October 1987 collapse and nearly triple the $1.8 billion in sales in September 1988, the low month for sales after the collapse.

Among the most popular equity funds in December were funds that invest in foreign stocks, a trend that continued this month, the managers said.

The net cash flow into those funds was $645 million, the most for any month since March 1986.

In late 1989, stocks of gold-mining companies came alive, but fund investors greeted gold stocks with caution.

After putting a net $204 million into those funds in November, they took $62 million out in December.

But this month the stocks have been soaring, making South Africa, where gold stocks dominate the equity market, the best performer in the world.

And the cash is coming back in. "Sales are up 20 to 25 percent in January," said David Edwards, chief investment officer of United Services Advisors, whose Gold Shares Fund was the top-performing precious metals fund last year.

As 1989 ended, mutual fund buyers were much more cautious about bond-oriented funds than about stock funds.

Over all, there was an outflow of $366 million from bond funds, because of the $664 million flow from junk bond funds.

Municipal bond funds took in a net $374 million, down from $1.2 billion in November and the smallest monthly total since February.

Another sign of investor confidence came in a poll taken of Fidelity Investments' customers by the Gallup Organization after the Dow fell 4.4 percent last week.

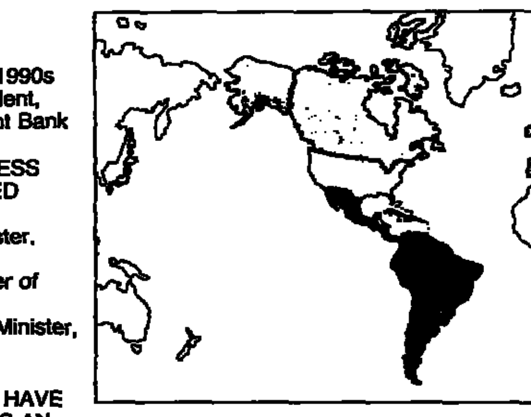
Mr. Hines said 88 percent of the 302 investors polled indicated that they thought the stock market would rise again and that only 2 percent said they planned to sell in the next few weeks.


# LATIN AMERICA

## HOW NEW ADMINISTRATIONS WILL MEET THE CHALLENGES

London, February 22 – 23, 1990

***A major conference co-sponsored by***
**the International Herald Tribune and the Inter-American Development Bank.**



**FEBRUARY 22**

LATIN AMERICA: NEW APPROACHES FOR THE 1990s
**Enrique V. Iglesias**, President, Inter-American Development Bank

NEW IDEAS FOR PROGRESS FROM DEBT TO RENEWED GROWTH
**Pedro Aspe**, Finance Minister, Mexico
***Eduardo Quintero**, Minister of State, Venezuela*
**Diego Cordovez**, Foreign Minister, Ecuador

DEBT AND NEW MONEY: HAVE THE COMMERCIAL BANKS AN APPETITE FOR LOOKING BEYOND THEIR MENUS?
**Anthony D. Loehnis**, Vice Chairman, S.G. Warburg & Co. Ltd., London
**William Rhodes**, Group Executive and Chairman of the Restructuring Committee, Citibank N.A., New York

*SUSTAINABLE DEVELOPMENT: PROMOTING* INTERNATIONAL COOPERATION ON THE ENVIRONMENT
**The Rt. Hon. Christopher Patten M.P.**, Secretary of State for the Environment, U.K.

THE URUGUAY ROUND: A BETTER DEAL FOR DEVELOPING COUNTRIES' PRODUCTS
**Arthur Dunkel**, Director General, General Agreement on Tariffs and Trade, Geneva

ADJUSTMENT MEASURES: ACHIEVING THE RIGHT BALANCE
**Senior Argentinian Official**

GIVING RENEWED DEVELOPMENT PRIORITY OVER DEBT
***Prof. Richard Portes**, Director, Centre for Economic Policy* Research, London
**Louis Emmerij**, President, OECD Development Centre, Paris

**FEBRUARY 23**

*RELATIONS WITH LATIN AMERICA:* CHALLENGE AND CHANGE
**The Rt. Hon. Tim Sainsbury M.P.**, Parliamentary Under Secretary of State for Foreign and Commonwealth Affairs, U.K.

*WILL DONOR COUNTRIES* BACK LATIN AMERICAN DEVELOPMENT IN THE 1990s?
**Toyoo Gyohten**, *Special Advisor* to the Minister of Finance, Japan
**Jacques Attali**, Special Counsellor to the President, France

THE INTER-AMERICAN INVESTMENT CORPORATION: A NEW PARTNER FOR BUSINESS IN LATIN AMERICA
**Gunther Muller**, General Manager, Inter-American Investment Corporation

SMALL BUSINESSES *IN LATIN AMERICA: BRINGING THE* MARGINS INTO THE MAINSTREAM
**Hernando de Soto**, President, Institute for Liberty and Democracy, Peru

ADJUSTMENT MEASURES: TURNING ROUND A LATIN AMERICAN ECONOMY
***Enrique Garcia Rodriguez**, Minister of Planning*, Bolivia
**Ricardo Zerbino**, Minister of Economy and Finance, Uruguay

HOW GOOD ECOLOGY CAN BE GOOD BUSINESS
**Alvaro Umana**, Minister of Natural Resources, Energy and Mines, Costa Rica

POINTERS FOR THE FUTURE: SUMMING UP OF CONFERENCE THEMES AND DISCUSSIONS
***Enrique V. Iglesias**, President, Inter-American Development* Bank

* Invited / Subject to confirmation

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# NYSE

**Wednesday's Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

| 12 Month High | Low | Stock | Div | Yld | PE | Sls 100s | High | Low | 4 P.M. | Chge |
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NEW YORK —

# Benetton Makes Pact To Boost Japan Sales

*Compiled by Our Staff From Dispatches*

PONZANO VENETO, Italy — Benetton Group SpA, the Italian clothing company, said Wednesday it had signed an agreement with the Japanese retailer Seibu Saison Group to expand its sales in Japan.

Seibu Saison also announced Wednesday that it has reached agreement with Sears, Roebuck & Co. to establish a joint auto servicing company in Tokyo.

In the Benetton agreement, the Italian company said that its Benetton International NV unit would buy 50 percent of Linz Co., which makes, imports and sells Benetton products in Japan. The remaining 50 percent will be held by the Seibu subsidiary, J. Osawa & Co. No financial details were given.

Benetton said the deal was a major step towards penetrating the Japanese and Far East markets. Benetton is already in Korea, the Philippines, Thailand, Malaysia, Indonesia and India.

Previously, Linz manufactured, sold and imported Benetton products through a licensing agreement, paying royalties to Benetton for the use of its brand name.

The jointly owned company will continue to pay royalties to the Italian group, but Benetton will also receive 50 percent of the venture's profits. In addition, Benetton will be able to include 50 percent of Linz's sales in its consolidated accounts.

Aldo Palmeri, a Benetton managing director, will be Linz chairman, while the J. Osawa president, Keisuke Egashira, will be Linz president. Eight other members will sit on the Linz board, three nominated by Benetton and five by J. Osawa.

Seibu, which operates department stores, hotels, restaurants and supermarkets as well as consumer finance and life insurance companies, said its joint venture with Sears, to be called Tire Plus Co., will open for business in March.

Capitalized at 125 million yen ($870,000), the venture it will be equally owned by Saison and Chicago-based Sears, which have already been running joint life insurance and other companies in Japan.

Seibu officials said the new joint company will provide auto maintenance services like changing tires, batteries and oil.

Initially, they said, it will open three or four stores in central Japan. During the initial years of business, they said, Tire Plus will study market conditions and will create a system for future expansion.

Saison officials said their company and Sears have decided on the new joint project in light of apparently strong demand in Japan for auto maintenance services from the ever-growing motoring public.

*(Reuters, AP)*

# *Spending Widens Gap In Hungary*

*Compiled by Our Staff From Dispatches*

BUDAPEST — Debt servicing and a spending spree by its citizens traveling abroad sent Hungary's hard currency current-account deeper into deficit last year, although the country had an improved trade surplus in non-convertible currencies, the central bank reported Wednesday.

The hard currency gap more than doubled, to $1.4 billion, from $592 million in 1988, according to National Bank figures.

At the same time, the increasing strength of Hungary's trade with other Eastern European countries in the Comecon alliance led to an eightfold increase in its current-account surplus in nonconvertible currencies, to 1.6 billion rubles ($2.7 billion).

Gross hard currency debt rose to $20.7 billion at the end of 1989. A previously published gross debt figure of $17.35 billion for the end of 1988 is not comparable, since Prime Minister Miklos Nemeth said late last year that those debt figures had been deliberately depressed.

Hard currency exports rose 5.5 percent in 1989, to $5.97 billion, while the country's spending on these imports rose 5.1 percent, to $5.43 billion.

Hungary has complained that the surplus in its trade with other Comecon countries, most of which is carried out on a barter basis, is not to its advantage. Budapest decided earlier this month to suspend ruble-denominated exports and review its trade relations within Comecon.

Comecon trade is denominated in the transferable ruble, a unit of account rather than a real currency, that was set up specially for this purpose.

*(Reuters, AFP)*

# Soviet Lift for German Stocks

## *Gorbachev's Statement on Reunification Raises Shares*

*Reuters*

FRANKFURT — New life was breathed into the West German stock market Wednesday by Soviet President Mikhail S. Gorbachev's statement that German reunification was not in doubt but needed careful preparation on all sides.

Mr. Gorbachev's declaration on Tuesday, his most positive statement yet on German unity, helped shares end higher across the board in Frankfurt, restoring the market's underlying positive mood.

The DAX index of 30 leading West German shares rose nearly 1 percent at the start of trading in Frankfurt, though it slipped back later to close the day just 0.5 percent higher.

"Basically, Gorbachev reassured investors that their notion of Germany as the world's favored bourse was on target," said a Frankfurt trader.

Wednesday's edition of the mass-circulation newspaper Bild said: "Gorbachev — He said Yes."

The DAX index hit record highs in early January, but has fallen by about 4 percent since then amid worries about the pace of reforms in East Germany and speculation that Mr. Gorbachev could be ousted.

Mr. Gorbachev's denial earlier on Wednesday that he was considering quitting his post as head of the Communist Party boosted shares further, as those worries were eased somewhat.

Some analysts predicted last week that shares would fall at least 10 percent before resuming their steep upward climb. But dealers on Wednesday said the turnaround had already started.

"Maybe we are over the worst now," said one analyst.

### ■ Luft Favors Convertibility

The East German finance minister, Christa Luft, said Wednesday that she favored making the country's currency fully convertible before 1992, Reuters reported from East Berlin.

The issue is crucial to East Germany's attempts to rebuild an economy shattered by four decades of Communist rule. The East German mark is unusable abroad and a convertible currency would open up the country for more foreign trade and investment.

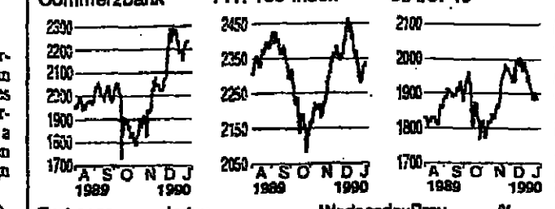
The minister, speaking at an economics conference in East Berlin, said 1992 would be an ambitious date to aim for, though some people wanted to see it this year. "I think that, considering the question soberly, the solution must lie somewhere between," she said.

Separately, Economics Minister Helmut Haussmann said in Bonn that currency union between East and West Germany was likely to be achieved before 1992.

Mrs. Luft recently said the East German economy would open up to foreign capital and expertise, badly needed for East Germany's outdated industry.

A peaceful revolution last autumn brought an end to 40 years of hardline rule.

## Investor's Europe




| Exchange | Index | Wednesday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Amsterdam | CBS General | 112.00 | 112.60 | -0.53 |
| Brussels | Stock Index | 6237.14 | 6259.76 | -0.36 |
| Frankfurt | Commerzbank | 2237.50 | 2230.10 | +0.33 |
| Frankfurt | DAX | 1822.78 | 1812.90 | +0.54 |
| Helsinki | UNITAS | 663.40 | 660.80 | +0.39 |
| London | Financial Times 30 | 1864.00 | 1853.00 | +0.59 |
| London | FT-SE 100 | 2337.30 | 2322.00 | +0.66 |
| Madrid | General Index | 278.92 | 279.49 | -0.20 |
| Milan | MIB | 994 | 990 | +0.40 |
| Paris | CAC 40 | 1882.88 | 1892.03 | -0.48 |
| Stockholm | Affaersvaerlden | 1214.40 | 1207.60 | +0.56 |
| Zurich | SBS | 641.30 | 639.50 | +0.28 |

*Sources: Datastream, AFP* International Herald Tribune

# *Economists Expecting No Change in Bundesbank's Policy*

*Reuters*

FRANKFURT — The Bundesbank is expected to hold its monetary policy steady at its council meeting on Thursday, while it continues to assess the inflationary risks in the West German economy, dealers and economists said Wednesday.

"Last year's interest-rate rises are still working their way through the system," said Martin Wiedmann, Citibank vice president. "There is no reason for the Bundesbank to step on the monetary brakes again."

The Bundesbank raised key rates four times last year. The discount rate is now at 6 percent and the Lombard rate at 8 percent.

Economists said the Bundesbank would take heart from the recent strength of the Deutsche mark against the dollar. A strong mark reduces the risk of imported inflation into West Germany by cutting the cost of dollar-denominated imports.

The mark is currently trading at around 1.68 per dollar, well above lows around 2.04 reached in mid-1989.

Analysts said a slowdown in January inflation levels would also encourage the Bundesbank. Consumer prices rose by a provisional year-on-year 2.6 percent in January, down from 3.0 percent in December.

The slower inflation level came as last year's consumer tax rise worked its way out of the system, economists said.

One factor clouding the interest-rate scenario was news from the Munich-based IfO economic research institute that West German capacity utilization rose to 90 percent in December, from 89.5 percent in September, an economist said.

But other analysts said the Bundesbank would not allow one set of economic data to force its monetary policy hand. "The Bundesbank will not be that worried about a half-point rise in capacity utilization," said a Commerzbank analyst, Peter Pietsch.

"The Bundesbank is much more worried about what will happen to prices after this year's wage negotiations," Mr. Pietsch added.

If the pay settlements appeared inflationary, the Bundesbank might again see the need to push interest rates up, Mr. Pietsch said.

The powerful IG Metall union has called for a pay rise of 9 percent this year, coupled with a cut in the working week to 35 hours.

But while some bankers still reckon with higher Bundesbank interest rates later this year, others said the next move in leading interest rates could be down.

"In the second half of the year I see some room for interest rates to fall," said Thomas Wegscheider, outgoing chairman of *BfG:Bank für Gemeinwirtschaft*, last week.

"But because we cannot expect an easier Bundesbank policy in the near term, the West German capital market will have to live with an inverse interest-rate structure, at least for the moment," Mr. Wegscheider said.

Some short-term money market funds are currently yielding almost a percentage point more than 10-year government bonds.

In an interview this week, the new Bundesbank board member Hans Tietmeyer said monetary stability was the main task of any central banker.

Mr. Tietmeyer said the Bundesbank had set a reasonable monetary growth target of 4 percent to 6 percent in 1989. "The Bundesbank is on a sensible track and we must do everything to keep things that way," he said.

Money market dealers said the Bundesbank would continue to keep the market well supplied with funds. News that the central bank drained five billion marks at this week's tender for securities repurchase pacts was no cause for concern.

# EC Allows France to Block Indirect Asian TV Imports

*The Associated Press*

BRUSSELS — The European Community's executive Commission said Wednesday it had allowed France to temporarily block imports via other EC nations of Japanese and South Korean television sets.

The Commission also allowed Italy to block until Sept. 30 imports via other EC member states of industrial sewing machines from Japan. Both decisions were taken amid concern that the domestic industry was endangered by a surge in imports.

In a statement, the Commission said France was allowed to block the imports until June 30, after France complained its own producers were losing market share to low-priced foreign imports despite a rise in demand for TV sets.

Sales of TV sets in France rose to 3.74 million sets in 1989 from 2.9 million sets in 1987. The market share of foreign imports rose to 30 percent from 25 percent over the same period, the statement said.

Meanwhile, the share of national manufacturers fell to 39 percent in 1989 from 49 percent in 1987.

France is currently examining import-license requests for 175,000 television sets.

The Commission said that an unlimited rise in the imports would prevent French manufacturers from taking measures to become more competitive.

In its decision on Japanese sewing machines, the Commission said the Italian industry was threatened by a surge in low-priced imports from Japan.

Sales in Italy of the machines totaled an estimated 13,000 units in the first quarter of 1989. Importers currently were seeking to ship in 15,800 Japanese sewing machines from other EC states, the Commission said.

Both Italy and France restrict direct imports of many Japanese products and are the leading opponents of liberalizing Japanese car import quotas in the EC.

But more liberal import regimes in other member states of the 12-nation trading bloc have led to the products being imported via other member states.

# Banks Planning Joint Venture

*Agence France-Presse*

TOKYO — Heller Overseas Corp., a U.S.-based subsidiary of Fuji Bank, will enter into a joint venture in Hungary with a Hungarian and an Austrian bank, sources close to Heller said Wednesday.

The venture will concentrate on advice, leasing and factoring for Hungarian companies, particularly those concentrating on exports, the sources said.

Magyar Hitel Bank, which is Hungary's largest commercial bank, Osterreichische Volksbanken AG and Heller Overseas will each hold 30 percent of the new venture's initial capital of one billion forints, about $17 million, they said.

The remaining 10 percent will be held by a group of local companies.

# *German-Japan Venture Set*

*Reuters*

HEILBRONN, West Germany — Kolbenschmidt AG, a West German supplier of automotive components, said Wednesday it is setting up a joint venture in the United States with Atsugi Unisia Corp., a Japanese maker of auto components.

Kolbenschmidt said the new company, to be set up this year, will produce pistons for the U.S. market, mostly for Japanese-made cars.

Kolbenschmidt, 52 percent owned by the metals and engineering group Metallgesellschaft AG, also said Wednesday that overall net profit had risen 34 percent, to 33.5 million Deutsche marks ($19.9 million) in the fiscal year ended Sept. 30, up from 25 million DM the year before. Sales rose 25 percent, to 1.29 billion DM, while parent net profit rose to 27.3 million DM from 22.6 million.

Kolbenschmidt's chairman, Otto Asbeck, said his company will bring its U.S. piston plant, KSG Industries in Mariette, Wisconsin, into the new company and will hold a majority share, as well as management control, while Unisia will hold up to 40 percent.

# Weak Steel Demand Flattens Thyssen Sales

*Reuters*

DUSSELDORF — Thyssen AG, West Germany's largest engineering group, said on Wednesday that sales to companies outside the group were flat in the first quarter of its financial year, at around 8 billion Deutsche marks ($4.7 billion).

Thyssen added that its Budd Co. steel subsidiary, which supplies the weak U.S. car market, had suffered an 11 percent drop in revenue in the October-December quarter.

Weaker steel demand is starting to hit profit at Thyssen, analysts noted. Some are projecting flat to slightly lower profit this year and little prospect of further growth next year for the company.

Mr. Spethmann told reporters that profit was good in the first quarter of the financial year but gave no details.

Despite weakening in its steel business — prices for steel are up by as much as to 10 percent on the year before — analysts are not alarmed about Thyssen's prospects.

Richard Schramm, engineering analyst at the merchant bank Trinkaus & Burckhardt KGaA in Düsseldorf, estimates per share earnings will fall to around 32 DM in 1989-90 from 35 DM in the financial year ended last Sept. 30.

"That's not dangerous — it's completely normal after such an especially good result last year," he said.

Thyssen has already announced it is boosting its dividend payout to 10 DM a share from 7.50 DM.

Steel analysts believe a stagnant car market, weaker growth in output in the machine-building sector and increased competition from Korean and Japanese manufacturers will all contribute to lower profit in Thyssen's steel business.

# Guinness U.S. Unit Adds to Beer Roster

*The Associated Press*

NEW YORK — Guinness Import Co. is adding Moosehead Premium Canadian Lager and Dos Equis beer to a roster that already includes Harp lager and Bass Ale, after agreeing to pay $21 million for All Brand Importers Inc.

The deal, announced Tuesday, will make Guinness Import, controlled by Guinness PLC of Britain, the fourth-largest beer importer in the United States, according to the the trade publication Impact.

All Brand had been owned by Grand Metropolitan PLC and Whitbread & Co.

"It's been our aspiration to be the best import company, representing the best brands," said Brian Baldock, chairman and managing director of Guinness Brewing Worldwide Ltd.

He said the acquisition of All Brands would add premium imports from Mexico, Canada, Czechoslovakia and West Germany to Guinness's lineup from Ireland and the United Kingdom.

Shipments of imported beers to U.S. retailers fell by about 5 percent in 1989 compared with the previous year, according to Frank Walters, research director for M. Shanken Communications Inc., which publishes Impact.

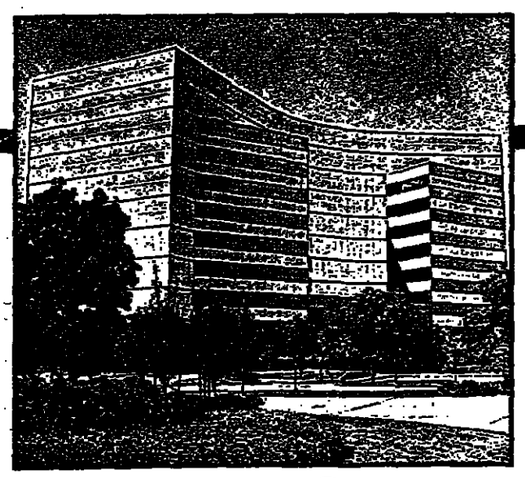
Mr. Baldock conceded that 1989 "was a dull year for the import sector" but noted that import sales have climbed over the past five to 10 years.

In addition to Moosehead Premium and Dos Equis, All Brand handles Moosehead Light from Canada, Sol and Superior from Mexico, Pilsner Urquell lager from Czechoslovakia and Clausthaler nonalcoholic malt beverage from West Germany.

In addition to Harp and Bass Ale, Guinness imports Guinness stout and Kaliber nonalcoholic brew and, in the Northeast, Guinness Gold lager.

The proposed acquisition more than doubles the case volume of Guinness Import, the company said, and increases annual retail sales to more than $300 million.

Mr. Walters estimated the retail value of the U.S. import market at about $2.6 billion, and that the combined Guinness-All Brand would have just under 13 percent of the market.

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# MARKET DIARY

Via Associated Press Jan. 31

## European Commodities

| | Close Bid | Close Ask | High | Low | Previous Bid | Previous Ask |
|---|---|---|---|---|---|---|
| **LONDON SUGAR** U.S. Dollars per metric ton | | | | | | |
| Mar | 325.00 | 325.20 | 326.00 | 319.00 | 317.60 | 318.00 |
| May | 323.60 | 323.80 | 324.80 | 318.00 | 317.60 | 317.80 |
| Aug | 322.60 | 322.80 | 323.00 | 318.00 | 316.00 | 317.00 |
| Oct | 313.00 | 313.20 | 314.00 | 308.60 | 308.40 | 308.80 |
| Dec | 302.00 | 311.00 | 301.00 | 301.00 | 298.00 | 306.00 |
| Mar | 288.00 | 289.00 | 291.00 | 286.80 | 284.00 | 284.60 |
| May | 285.00 | 288.00 | N.T. | N.T. | 282.20 | 283.60 |
| Volume: 6,596 lots of 50 tons. | | | | | | |
| **LONDON COCOA** Sterling per metric ton | | | | | | |
| Mar | 627 | 628 | 632 | 625 | 628 | 629 |
| May | 639 | 640 | 644 | 636 | 639 | 640 |
| Jul | 652 | 653 | 656 | 648 | 654 | 655 |
| Sep | 668 | 669 | 678 | 665 | 669 | 670 |
| Dec | 691 | 692 | 697 | 688 | 693 | 694 |
| Mar | 711 | 712 | 713 | 708 | 713 | 714 |
| May | 724 | 727 | 727 | 722 | 727 | 729 |
| Volume: 3,293 lots of 10 tons. | | | | | | |
| **LONDON COFFEE** Sterling per metric ton | | | | | | |
| Jan | 565 | N.T. | N.T. | 576 | 566 | 575 |
| Mar | 580 | 582 | 583 | 576 | 578 | 580 |
| May | 585 | 586 | 587 | 578 | 579 | 582 |
| Jul | 597 | 598 | 599 | 590 | 590 | 591 |
| Sep | 611 | 612 | 614 | 606 | 605 | 607 |
| Nov | 627 | 630 | 630 | 621 | 620 | 622 |
| Jan | 640 | 645 | 636 | 636 | 633 | 638 |
| Volume: 2,479 lots of 5 tons. | | | | | | |
| **GASOIL** U.S. dollars per metric ton | | | | | | |
| Feb | 166.50 | 167.00 | 167.00 | 165.00 | 169.00 | 169.25 |
| Mar | 163.75 | 164.75 | 164.75 | 162.00 | 165.25 | 165.50 |
| Apr | 160.50 | 161.25 | 161.50 | 158.50 | 162.00 | 162.50 |
| May | 158.00 | 158.25 | 158.50 | 157.00 | 158.50 | 159.50 |
| Jun | 157.00 | 157.25 | 157.25 | 155.25 | 157.50 | 159.00 |
| Jul | 158.00 | 159.00 | 156.00 | 155.25 | 158.59 | 159.00 |
| Aug | 158.00 | 161.25 | N.T. | N.T. | 159.50 | 163.00 |
| Sep | 159.00 | 170.00 | N.T. | N.T. | 160.50 | 170.00 |
| Oct | 160.00 | 170.00 | 159.00 | 159.00 | 161.50 | 170.00 |
| Volume: 6,667 lots of 100 tons. | | | | | | |

| PARIS SUGAR French francs per metric ton | High | Low | Close Bid | Ask | Ch'ge |
|---|---|---|---|---|---|
| Mar | 2,440 | 2,410 | 2,430 | 2,435 | —21 |
| May | 2,435 | 2,410 | 2,428 | 2,432 | —21 |
| Aug | 2,467 | 2,450 | 2,465 | N.A. | —12 |
| Oct | 2,295 | 2,280 | 2,280 | 2,292 | —21 |
| Dec | N.T. | N.T. | 2,120 | 2,160 | —30 |
| Mar | N.T. | N.T. | 2,100 | 2,125 | —30 |

Est. vol.: 1,335 lots of 50 tons. Official previous volume: 1,238 lots. Open interest: 17,613 lots.

*Sources: Paris Bourse du Commerce, London Petroleum Exchange, Reuters.*

## DM Futures Options

| Strike Price | Calls-Settle Jan | Feb | Mar | Puts-Settle Jan | Feb | Mar |
|---|---|---|---|---|---|---|
| 57 | 1.87 | 2.42 | 2.56 | 0.03 | 0.03 | 0.18 |
| 58 | 1.41 | 1.47 | 1.75 | 1.07 | 0.09 | 0.37 |
| 59 | 1.05 | 0.73 | 1.30 | 1.43 | 0.31 | 0.71 |
| 60 | 1.48 | 0.27 | 0.64 | 2.01 | 0.84 | 1.25 |
| 61 | 1.03 | 0.07 | 0.36 | 3.63 | 1.68 | 1.94 |
| 62 | 0.75 | 0.04 | 0.18 | — | — | 2.80 |

Est. total vol.: 11,496
Calls: Tue. volume: 6,286 open int.: 63,447
Puts: Tue. volume: 10,496 open int.: 94,191
*Source: CME.*

## NASDAQ Diary

| | Close | Prev. |
|---|---|---|
| Advanced | 1,179 | 588 |
| Declined | 835 | 1,467 |
| Unchanged | 2,329 | 2,288 |
| Total Issues | 4,343 | 4,343 |

## N.Y.S.E. Odd-Lot Trading

| | Buy | Sales | *Sh'rt |
|---|---|---|---|
| Jan. 30 | 447,578 | 578,025 | 12,972 |
| Jan. 29 | 295,124 | 439,951 | 3,461 |
| Jan. 26 | 328,595 | 510,288 | 6,021 |
| Jan. 25 | 333,077 | 573,599 | 6,545 |
| Jan. 24 | 385,478 | 678,166 | 10,407 |

*Included in the sales figures

## To Our Readers

S & P 100 index option prices were not available in this edition because of transmission delays.

## Dividends

| Company | Per | Amt | Pay | Rec |
|---|---|---|---|---|
| **INCREASED** | | | | |
| Kentucky Utilities | Q | .34 ½ | 3-15 | 2-22 |
| Otter Tail Power | Q | .39 | 3-10 | 2-15 |
| Premier Fincl Svcs | Q | .05 | 2-28 | 2-15 |
| Provident Bancorp | Q | .20 | 2-23 | 2-9 |
| **SPECIAL** | | | | |
| Freeport-McMoran | O | .25 | 3-1 | 2-15 |
| **DISTRIBUTION** | | | | |
| **STOCK** | | | | |
| Flexible Bond Trust | - | .077 | 2-22 | 2-9 |
| Forest Oil Corp | - | 2 PC | 3-9 | 2-15 |
| Forest Oil Corp B | - | 2 PC | 3-9 | 2-15 |
| Koger Properties | Q | .70 | 4-20 | 3-30 |
| Premier Fincl Scs | - | 5 PC | 3-30 | 2-28 |
| SDNB Financial | A | .24 | 2-22 | 2-9 |
| Sensormatic Elec | S | .07 ½ | 4-17 | 3-26 |
| SIFCO Industries | - | .50 PC | 2-27 | 2-13 |
| **STOCK SPLIT** | | | | |
| TriMas Corp — 2-for-1 | | | | |
| **USUAL** | | | | |
| Ahmanson (HF)&Co | Q | .22 | 3-1 | 2-13 |
| American Brands | Q | .68 | 3-1 | 2-8 |
| Armstrong World | Q | .26 ½ | 3-1 | 2-9 |
| Banta Corp | Q | .14 | 4-30 | 4-13 |
| BB&T Financial | Q | .20 | 3-15 | 3-1 |
| Becton Dickinson Co | Q | .27 | 3-30 | 3-9 |
| Block Drug Co cl-A | Q | .17 ½ | 4-2 | 3-1 |
| Borden Inc | Q | .24 | 3-1 | 2-9 |
| Consol Freightways | Q | .26 ½ | 3-26 | 2-28 |
| Constar Intl Inc | Q | .16 | 3-1 | 2-9 |
| Dean Foods Co | Q | .16 ½ | 3-15 | 2-20 |
| Duke Power Co | Q | .78 | 3-16 | 2-16 |
| EDO Corp | Q | .07 | 3-30 | 3-6 |
| Energen Corp | Q | .22 | 3-1 | 2-15 |
| First Natl Corp CA | S | .10 | 2-28 | 2-9 |
| First Western Fincl | Q | .09 | 3-30 | 3-9 |
| Freeport-McMoran | Q | .37 ½ | 3-1 | 2-15 |
| Interstate Power | Q | .50 | 3-20 | 2-20 |
| Intl Business Mach | Q | 1.21 | 3-10 | 2-9 |
| Koger Equity Inc | Q | .45 | 4-20 | 3-30 |
| McDonald & Co Inc | Q | .05 | 2-22 | 2-13 |
| Mueller (Paul) Co | Q | .58 | 3-9 | 2-19 |
| Noble Affiliates Inc | Q | .04 | 2-26 | 2-12 |
| O'Sullivan Corp | Q | .07 | 4-12 | 3-14 |
| Penobscot Shoe Co | Q | .05 | 3-15 | 2-23 |
| Talman Home Fedl | Q | .06 ¼ | 3-1 | 2-15 |
| Tolland Bank | Q | .12 | 2-20 | 2-6 |
| UGI Corp | Q | .56 ¼ | 4-1 | 2-28 |
| Union Camp Corp | Q | .37 | 3-13 | 2-2 |
| USX Corp | Q | .35 | 3-10 | 2-9 |
| XTRA Corp | Q | .18 | 2-28 | 2-14 |

a-annual; m-monthly; q-quarterly; s-semi-annual
*Source: UPI.*

## London Metals

Jan. 31

| | Close Bid | Close Ask | Previous Bid | Previous Ask |
|---|---|---|---|---|
| **ALUMINUM (High Grade)** Sterling per metric ton | | | | |
| Spot | 1393.00 | 1396.00 | 1418.00 | 1422.00 |
| Forward | 1417.00 | 1419.00 | 1441.00 | 1442.00 |
| **COPPER CATHODES (High Grade)** Sterling per metric ton | | | | |
| Spot | 1304.00 | 1305.00 | 1300.00 | 1302.00 |
| Forward | 1317.00 | 1318.00 | 1316.00 | 1317.00 |
| **LEAD** Sterling per metric ton | | | | |
| Spot | 413.00 | 414.00 | 415.00 | 417.00 |
| Forward | 408.00 | 409.00 | 409.00 | 410.00 |
| **NICKEL** Dollars per metric ton | | | | |
| Spot | 6140.00 | 6170.00 | 6050.00 | 6100.00 |
| Forward | 6000.00 | 6010.00 | 5910.00 | 5925.00 |
| **TIN** Dollars per metric ton | | | | |
| Spot | 6230.00 | 6250.00 | 6320.00 | 6340.00 |
| Forward | 6370.00 | 6380.00 | 6455.00 | 6470.00 |
| **ZINC (High Grade)** Dollars per metric ton | | | | |
| Spot | 1260.00 | 1276.00 | 1275.00 | 1285.00 |
| Forward | 1240.00 | 1250.00 | 1245.00 | 1255.00 |

n.q.-not quoted.
*Source: AP.*

## Spot Commodities

| Commodity | Today | Prev. |
|---|---|---|
| Aluminum, lb | 0.6375 | 0.6375 |
| Coffee, lb | 0.72 | 0.72 |
| Copper electrolytic, lb | 1.1225 | 1.1225 |
| Iron FOB, ton | 213.00 | 213.00 |
| Lead, lb | 0.40 | 0.40 |
| Printcloth, yd | n.a. | n.a. |
| Silver, troy oz | 5.21 | 5.225 |
| Steel (billets), ton | 473.00 | 473.00 |
| Steel (scrap), ton | 94.00 | 94.00 |
| Tin, lb | 3.9552 | 3.9647 |
| Zinc, lb | 0.65 | 0.65 |

RUSSELL BAKER
IN THE IHT EVERY WEDNESDAY AND FRIDAY.

## NYSE Diary

| | Close | Prev. |
|---|---|---|
| Advanced | 1115 | 399 |
| Declined | 453 | 1156 |
| Unchanged | 407 | 431 |
| Total Issues | 1975 | 1986 |
| New Highs | 8 | 9 |
| New Lows | 86 | 193 |

## AMEX Diary

| | Close | Prev. |
|---|---|---|
| Advanced | 321 | 128 |
| Declined | 259 | 451 |
| Unchanged | 242 | 226 |
| Total Issues | 822 | 805 |
| New Highs | 5 | 4 |
| New Lows | 53 | 73 |

## Currency Options

PHILADELPHIA EXCHANGE Jan. 31

| Option & Underlying | Strike Price | Calls—Last Feb | Mar | Jun | Puts—Last Feb | Mar | Jun |
|---|---|---|---|---|---|---|---|
| **50,000 Australian Dollars-cents per unit.** | | | | | | | |
| Dollr | 72 | r | r | r | r | r | 1.03 |
| 77.02 | 73 | r | r | r | r | r | 1.37 |
| 77.02 | 74 | r | r | r | 0.13 | r | 1.76 |
| 77.02 | 75 | r | r | 2.42 | 0.28 | 0.90 | r |
| 77.02 | 76 | r | r | r | 0.63 | 1.30 | r |
| 77.02 | 77 | 0.61 | 0.94 | r | 1.06 | r | 3.40 |
| 77.02 | 78 | 0.34 | 0.62 | r | r | r | 4.05 |
| 77.02 | 79 | r | 0.36 | r | r | r | r |
| 77.02 | 82 | r | r | 0.30 | r | r | |
| **50,000 Australian Dollars-European Style.** | | | | | | | |
| 77.02 | 76 | r | r | r | 0.61 | r | r |
| 77.02 | 78 | 0.31 | r | r | r | r | |
| **31,250 British Pounds-cents per unit.** | | | | | | | |
| Pound | 160 | 8.10 | r | r | r | r | r |
| 168.17 | 162½ | 5.24 | r | r | 0.25 | r | r |
| 168.17 | 165 | r | r | r | r | 1.85 | r |
| 168.17 | 167½ | r | 2.20 | r | 1.70 | 3.00 | r |
| 168.17 | 170 | r | 1.40 | r | r | 4.55 | r |
| 168.17 | 172½ | 0.30 | 0.84 | r | r | r | r |
| 168.17 | 175 | r | r | 1.35 | r | r | |
| **31,250 British Pounds-European Style.** | | | | | | | |
| 168.17 | 165 | r | r | r | r | 1.85 | r |
| 168.17 | 170 | r | r | r | r | r | 7.90 |
| **50,000 Canadian Dollars-cents per unit.** | | | | | | | |
| Dollr | 81 | r | r | r | r | r | 0.35 |
| 84.27 | 82 | r | r | r | 0.07 | r | r |
| 84.27 | 82½ | r | r | r | 0.10 | r | 0.80 |
| 84.27 | 83 | r | r | r | r | r | 0.90 |
| 84.27 | 83½ | r | r | r | r | 0.47 | 1.30 |
| 84.27 | 84 | 0.45 | r | r | 0.38 | 0.67 | 1.53 |
| 84.27 | 84½ | r | 0.39 | r | 0.67 | r | r |
| 84.27 | 85 | 0.13 | 0.28 | r | r | r | 2.12 |
| 84.27 | 85½ | r | r | 0.31 | r | r | r |
| 84.27 | 86 | r | r | 0.30 | r | r | r |
| 84.27 | 87 | r | r | 0.17 | r | r | |
| **62,500 West German Marks-cents per unit.** | | | | | | | |
| Mark | 53 | r | 6.34 | r | r | r | r |
| 59.39 | 54 | 5.53 | r | r | r | r | r |
| 59.39 | 55 | r | r | r | r | r | 0.36 |
| 59.39 | 56 | r | r | r | r | 0.12 | r |
| 59.39 | 57 | r | r | r | 0.13 | 0.25 | 0.82 |
| 59.39 | 57½ | r | r | s | 0.11 | 0.34 | s |
| 59.39 | 58 | r | r | 2.43 | 0.18 | 0.47 | r |
| 59.39 | 58½ | 1.30 | r | s | r | r | s |
| 59.39 | 59 | 0.84 | 1.27 | r | 0.47 | r | r |
| 59.39 | 59½ | 0.59 | 0.90 | s | 0.57 | 0.95 | s |
| 59.39 | 60 | 0.36 | 0.78 | 1.38 | 0.98 | 1.25 | r |
| 59.39 | 60½ | 0.30 | r | s | r | r | s |
| 59.39 | 61 | 0.12 | 0.40 | r | r | r | r |
| 59.39 | 62 | r | 0.21 | r | r | r | |
| **6.25 mil Japanese Yen-100ths of a cent per unit.** | | | | | | | |
| Yen | 68 | r | r | 2.36 | 0.14 | r | 0.82 |
| 69.29 | 69 | 0.75 | 1.05 | 1.76 | 0.34 | 0.63 | 1.22 |
| 69.29 | 69½ | 0.49 | r | s | r | r | s |
| 69.29 | 70 | 0.30 | 0.58 | 1.37 | 0.93 | 1.19 | r |
| 69.29 | 70½ | 0.15 | r | s | r | r | s |
| 69.29 | 71 | 0.09 | 0.34 | 0.92 | r | r | r |
| 69.29 | 72 | 0.06 | 0.14 | 0.64 | r | r | |
| **6.25 mil Japanese Yen-European Style.** | | | | | | | |
| 69.29 | 68 | r | r | r | r | 0.36 | r |
| 69.29 | 70 | r | r | r | r | 1.16 | r |
| 69.29 | 72 | r | 0.14 | r | r | r | |
| **62,500 Swiss Francs-cents per unit.** | | | | | | | |
| Franc | 64 | r | r | r | 0.10 | 0.33 | r |
| 66.68 | 64½ | r | r | s | 0.13 | r | s |
| 66.68 | 65 | r | r | r | 0.21 | r | r |
| 66.68 | 65½ | r | r | s | r | 0.55 | s |
| 66.68 | 66 | 1.04 | r | r | 0.45 | 0.72 | r |
| 66.68 | 66½ | r | r | s | 0.53 | r | s |
| 66.68 | 67 | 0.62 | 0.93 | r | 0.73 | r | r |
| 66.68 | 67½ | r | r | s | 1.18 | r | s |
| 66.68 | 68 | 0.26 | r | r | r | r | r |
| 66.68 | 69 | 0.16 | 0.35 | r | r | r | |

Total call vol. 47,086 Call open int. 369,838
Total put vol. 23,701 Put open int. 343,124
r—Not traded. s—No option offered.
Last is premium (purchase price).

## Dow Jones Averages

| | Open | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Indus | 2556.53 | 2600.90 | 2546.85 | 2590.54 | + 47.30 |
| Trans | 1036.27 | 1057.79 | 1028.45 | 1045.87 | + 14.04 |
| Util | 218.94 | 223.84 | 218.56 | 223.65 | + 4.96 |
| Comp | 946.71 | 964.86 | 942.45 | 959.54 | + 16.86 |

## Standard & Poor's Indexes

| | High | Low | Close | Ch'ge |
|---|---|---|---|---|
| Industrials | 378.70 | 371.92 | 378.49 | +6.77 |
| Transp. | 256.39 | 251.57 | 256.38 | +4.81 |
| Utilities | 143.02 | 140.15 | 143.02 | +2.87 |
| Finance | 27.93 | 27.30 | 27.93 | +0.62 |
| SP 500 | 329.87 | 322.98 | 329.08 | +6.10 |
| SP 100 | 307.88 | 303.21 | 307.88 | +4.67 |

## NYSE Indexes

| | High | Low | Close | Ch'ge |
|---|---|---|---|---|
| Composite | 181.50 | 179.20 | 181.50 | +3.07 |
| Industrials | 218.73 | 216.50 | 218.73 | +3.45 |
| Transp. | 164.00 | 162.72 | 164.00 | +2.48 |
| Utilities | 92.67 | 91.16 | 92.67 | +1.95 |
| Finance | 142.16 | 140.27 | 142.16 | +2.57 |

## NASDAQ Indexes

| | Close | Ch'ge | Week Ago | Month Ago |
|---|---|---|---|---|
| Composite | 415.81 | +5.09 | 425.66 | 460.90 |
| Industrials | 415.28 | +4.57 | 425.04 | 455.59 |
| Finance | 470.55 | +3.08 | 476.49 | 512.55 |
| Insurance | 487.95 | +6.31 | 494.71 | 552.07 |
| Utilities | 636.20 | +18.5 | 654.87 | 732.99 |
| Banks | 370.03 | +1.45 | 373.19 | 400.16 |
| Transp. | 448.32 | +3.44 | 456.30 | 509.93 |

## AMEX Stock Index

| High | Low | Close | Ch'ge |
|---|---|---|---|
| 350.07 | 345.48 | 350.07 | +4.57 |

## Dow Jones Bond Averages

| | Close | Ch'ge |
|---|---|---|
| Bonds | 90.95 | +0.13 |
| Utilities | 92.25 | +0.16 |
| Industrials | 89.64 | +0.10 |

## Market Sales

| | |
|---|---|
| NYSE 4 p.m. volume | 189,668,000 |
| NYSE prev. cons. close | 215,396,740 |
| Amex 4 p.m. volume | 12,570,000 |
| Amex prev. cons. close | 19,383,000 |
| NASDAQ 4 p.m. volume | 147,997,200 |
| NASDAQ prev. 4 p.m. volume | 160,160,800 |
| NYSE volume up | 142,908,000 |
| NYSE volume down | 25,218,000 |
| Amex volume up | 6,025,450 |
| Amex volume down | 3,482,000 |
| NASDAQ volume up | n.a. |
| NASDAQ volume down | n.a. |

## NYSE Most Actives

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| OccPet | 63029 | 27¼ | 26⅝ | 26⅝ | |
| BkNE | 28611 | 5⅜ | 4½ | 4⅞ | + ⅛ |
| AT&T | 28461 | 39¼ | 37¾ | 38⅞ | +1⅛ |
| Chase | 28323 | 30⅞ | 30¼ | 30⅝ | + ⅜ |
| PhilMr s | 25084 | 38⅛ | 37⅝ | 37⅞ | + ⅝ |
| IBM | 21120 | 98⅝ | 97¾ | 98⅝ | +1¾ |
| SouthCo | 16948 | 27⅜ | 26⅞ | 27 | + ½ |
| GenEl | 15818 | 62½ | 61⅞ | 62¼ | + ½ |
| DowCh s | 15728 | 64 | 62⅞ | 63⅞ | —1⅝ |
| FdNM s | 15784 | 31⅛ | 29¾ | 31¼ | +2 |
| Unitel s | 15481 | 32⅝ | 31½ | 32¼ | +1⅜ |
| NGerm n | 14143 | 23⅝ | 22⅞ | 22⅞ | —1¼ |
| BrMySq | 13824 | 52¼ | 51½ | 52 | + ⅜ |
| Exxon | 13414 | 47¼ | 46⅝ | 46⅞ | — ⅛ |
| Waste s | 12819 | 30⅝ | 30⅛ | 30⅝ | + ⅜ |

## AMEX Most Actives

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Hilhov n | 10036 | 1⅞ | 1⅞ | 1⅞ | — ⅛ |
| TexAir | 5340 | 6⅜ | 5⅝ | 5⅞ | — ⅛ |
| BAT In | 5298 | 13⅞ | 13¼ | 13⅝ | + ¼ |
| EchoBy | 5096 | 20½ | 19⅝ | 19⅞ | — ¾ |
| Alza | 3741 | 34⅛ | 33⅝ | 34⅛ | + ⅜ |
| Sol Nk wt | 3565 | 5 | 4⅞ | 4⅞ | — ⅛ |
| JonBell | 3350 | 17¼ | 16⅛ | 16⅞ | + ⅝ |
| Amdhl | 3501 | 15⅛ | 15⅜ | 15⅞ | + ⅜ |
| FruitL | 3445 | 13⅛ | 12⅞ | 13 | + ⅛ |
| DowC rt | 2855 | 8⅞ | 8⅛ | 8⅛ | |
| PegGld | 2834 | 15 | 14 | 14½ | — ⅜ |
| WangB | 2570 | 4⅛ | 3⅞ | 4⅛ | + ¼ |
| ICH | 2476 | 3½ | 2⅞ | 3⅛ | — ½ |
| Dk Nk wt | 1918 | 5⅜ | 5⅛ | 5⅛ | — ⅜ |
| BHC n | 1708 | 44 | 42 | 44 | +2¼ |

# Stocks Up Sharply On Rally by Bonds

*United Press International*

NEW YORK — The stock market soared on Wednesday, as a break from the recent jump in interest rates fueled the market's biggest rally since its surge to record highs Jan. 2.

The Dow Jones average of 30 industrial stocks, which fell 10.14 points on Tuesday for its fifth straight decline, rose 47.30 points to close at 2,590.54.

Among broader market gauges, the New York Stock Exchange composite index rose 3.07 to 181.50 and Standard & Poor's 500-stock index gained 6.08 to 329.06. The price of an average share jumped 57 cents.

Advances outnumbered declines by about a 5-2 margin. Volume totaled about 189.7 million shares, up from about 186 million traded Tuesday.

The rally was fueled by a rebound in bond prices after their steep declines in January. Especially heartening to investors was that bonds gained despite a government report that its index of leading economic indicators rose 0.8 percent in December.

Analysts said Treasury bonds, which were lower, dipped slightly on the news but turned higher at midmorning. In late trading, long-term issues were up as much as 1¼ points.

They said the bond market's firm reaction to a stronger-than-expected economic report, which would normally be bearish for bonds, may be a signal that interest rates have seen their highs for now.

"This was great to see, a good sign, an encouraging sign," said Hugh Johnson, chief economist at First Albany Corp.

He also noted that stocks, after five straight down days, may simply have been due for a rebound. Plus, he said, President Mikhail S. Gorbachev's statement that he had no intention of resigning as head of the Soviet Union's Communist Party was a supportive factor.

On the trading floor, Occidental Petroleum was the most active NYSE issue, unchanged at 26⅝. Chase Manhattan followed, up ⅜ to 30⅝. AT&T was third, up 1⅛ to 39.

Among the other blue chips, IBM jumped 1⅜ to 98⅝ after announcing a joint venture with Motorola to market a wireless data communications service. Union Carbide rose 1⅛ to 22⅛, Philip Morris gained ⅝ to 37⅞, USX rose 1⅛ to 33½ and Coca-Cola surged 2⅜ to 68⅞ after reporting steep gains in profits.

Other companies that were sharply higher after favorable earnings reports were Xerox, up 2⅜ to 55½; Asarco, up 1⅜ to 28½; and Ogden Projects, up 2⅜ to 24.

Takeover issues rebounded after their recent shellacking. Hilton Hotels surged 4 to 61¾ amid talk that its board may approve the sale of the company. Aristech Chemical jumped 1¼ to 26½. Its board has reportedly approved a $27-a-share management buyout. And Georgia Gulf soared 4⅝ to 40⅝ after NL Industries said it planned a $45-a-share bid for the company.

Interest-sensitive issues gained. Federal National Mortgage Association was up 2 to 31¼.

## Debt Plan Fears Hit Gold Price

*Reuters*

NEW YORK — The price of gold fell Wednesday on fears that a U.S. plan to solve the problem of debtor countries' arrears to the International Monetary Fund could unleash gold sales.

European monetary officials said the United States was sounding out a proposal to have the debtor countries mobilize their gold reserves lodged at the Fund.

Spot gold fell $5.40, to $412.35 an ounce, on the Commodity Exchange in New York. Early losses were cut somewhat on comments by monetary officials that mobilizing gold reserves would not necessarily mean sales on open markets.

# BUSINESS BRIEFS

## Dow's 4th-Quarter Earnings Eased

MIDLAND, Michigan (Combined Dispatches) — Declining prices reduced Dow Chemical Co.'s fourth-quarter net income nearly 33 percent from the year-earlier level, the U.S.-based company said Wednesday.

Its stock closed at $64, down $1.625, on what one analyst, John Roberts of Kidder, Peabody & Co., called "a downside surprise."

Dow said it had net income of $427 million for the three months ended Dec. 31, down from $635 million for the last quarter of 1988. Sales totaled $4.26 billion, down from $4.30 billion a year earlier. For the year, Dow reported net income of $2.49 billion on sales of $17.60 billion, compared with of $2.40 billion on 1988 sales of $16.68 billion. *(Reuters, AP)*

## Philip Morris Has Strong Profit Rise

NEW YORK (Combined Dispatches) — Philip Morris Cos. said Wednesday that profit for the last quarter of 1989 had more than doubled while earnings for the year had risen 26 percent because of strong sales.

Its stock rose 87.5 cents, to close at $37.875.

The company, which makes such products as Marlboro cigarettes, Miller beer and Post cereals, netted $863 million, or 93 cents per share, in the quarter, compared with $342 million, or 37 cents, a year earlier. Fourth-quarter sales rose 29 percent, to $11.14 billion, from $8.64 billion.

For all of 1989, Philip Morris had a net profit of $2.95 billion, compared with $2.34 billion in 1988. Sales totaled $44.76 billion, up 41 percent from $31.74 billion. The 1989 results included a $179 million pretax charge from merging General Foods Corp. with Kraft Inc. in December 1988 and a $276 million gain from the sale of its stake in Rothmans International PLC. *(AP, Reuters)*

## Aristech Approves Mitsubishi Bid

PITTSBURGH (Reuters) — Aristech Chemical Corp. said Wednesday that the outside members of its board of directors had approved a $27 per share cash buyout bid by a management group in association with Mitsubishi Corp. and that a cash tender offer will promptly begin for all of the outstanding common shares of Aristech.

Aristech said the agreement permits it to continue to provide information to and solicit proposals from potential bidders other than Mitsubishi and the management group. Huntsman Holdings Inc. and GE Plastics, a unit of General Electric Co., have said they will offer at least $27 per share for Aristech unless materially negative information arises.

## Hoffmann Acquires 10% of Interferon

WASHINGTON (Reuters) — Hoffmann-La Roche Inc. said Wednesday it had acquired a 10.5 percent stake in Interferon Sciences Inc., or 584,261 shares of the company's common stock outstanding.

In a filing with the Securities and Exchange Commission, the Swiss-based pharmaceutical company said it acquired 100,000 shares under a June 1988 agreement granting Interferon a license to make and sell the drug alpha interferon in the United States. On Jan. 29, Hoffmann-La Roche exercised its right to acquire an additional 484,261 shares because the U.S. Food and Drug Administration had approved the wart treatment.

## For the Record

Northwest Airlines will spend $422 million over the next five years to try to bring more flights in on time, improve inflight food and redecorate its 300 planes, its president, Fred Malek, said Wednesday. *(AP)*

The U.S. Agency for International Development said Wednesday it had wiped out $305 million in debts owed by Benin, Cameroon, Ghana, Guinea, Kenya, Madagascar, Malawi, Mali, Nigeria and Zaire, with the 10 African nations agreeing to undertake economic reform programs approved by the International Monetary Fund. *(UPI)*

# Dollar Edges Downward as Traders Take Profits

*Reuters*

NEW YORK — The dollar edged lower on Wednesday, as traders took profits following the Tuesday rally in New York sparked by rumors that Mikhail S. Gorbachev might resign his Communist Party post.

Dealers said the currency lost a major part of its overnight gains when Mr. Gorbachev said Wednesday morning that he had no intention of resigning as Communist Party chief and dismissed as groundless a U.S. television report that he was about to step down.

However, nervousness about the Soviet leader's future continued to hang over the market.

The dollar closed at 1.6885 Deutsche marks, down from 1.6950, and at 144.55 yen, down from 145.00.

The British pound firmed to $1.6775 from 1.6710.

The U.S. unit also closed at 5.7325 French francs, down from 5.7775, but at 1.5035 Swiss francs, up from 1.4985.

"The dollar lost most gains scored overnight, but the market cannot be optimistic about selling dollars ahead of next week's plenary meeting," said Makoto Aratake, a dealer at Bank of Tokyo. He was referring to the session of the Soviet Communist Party's Central Committee scheduled for Monday and Tuesday.

"Market direction points to mark buying and dollar selling, but traders will await next week's plenum meeting before renewing such moves," said Mr. Aratake.

A batch of economic indicators from the United States — December leading indicators and new home sales and the Chicago purchasing managers' January report — had little impact on the market, dealers said.

Earlier in London, the dollar closed at 1.6862 DM, up from 1.6765 DM on Tuesday, and at 144.40 yen, up from 143.79.

The U.S. currency also rose against the pound, which declined to $1.6805 from $1.6925. The dollar rose to 1.5035 Swiss francs, from 1.4865. The French franc weakened, too, with the dollar moving to 5.7285 from 5.6965.

**Foreign Exchange**

**London Dollar Rates**

| Closing | Wed. | Tue. |
|---|---|---|
| Deutsche mark | 1.6862 | 1.6765 |
| Pound sterling | 1.6805 | 1.6925 |
| Japanese yen | 144.40 | 143.79 |
| Swiss franc | 1.5035 | 1.4865 |
| French franc | 5.7285 | 5.6965 |

*Source: Reuters*

# U.S. FUTURES

Via Associated Press Jan. 31

| Season High | Season Low | | Open | High | Low | Close | Chg. |
|---|---|---|---|---|---|---|---|
| **Grains** | | | | | | | |
| **WHEAT (CBT)** 5,000 bu minimum- dollars per bushel | | | | | | | |
| 4.43 | 3.71½ | Mar | 3.77 | 3.79½ | 3.75 | 3.75¾ | —.00¼ |
| 4.32 | 3.61 | May | 3.63½ | 3.66 | 3.62½ | 3.62¾ | —.00¼ |
| 3.85 | 3.42½ | Jul | 3.47¾ | 3.49½ | 3.47 | 3.47½ | |
| 3.73 | 3.48 | Sep | 3.54½ | 3.56 | 3.53¾ | 3.54 | +.00¼ |
| 3.80 | 3.56 | Dec | 3.65¾ | 3.67¼ | 3.64¾ | 3.65½ | +.00½ |
| 3.82½ | 3.70 | Mar | 3.72½ | 3.72½ | 3.71 | 3.72 | —.00½ |
| Est. Sales | Prev. Sales 6,908 | | | | | | |
| Prev. Day Open Int. 53,742 off 70 | | | | | | | |
| **CORN (CBT)** 5,000 bu minimum- dollars per bushel | | | | | | | |
| 2.86½ | 2.26 | Mar | 2.38¼ | 2.38¾ | 2.37¾ | 2.38¼ | —.00¼ |
| 2.89½ | 2.30 | May | 2.43¾ | 2.44¼ | 2.43¼ | 2.43¾ | —.00¼ |
| 2.85 | 2.31 | Jul | 2.48 | 2.48½ | 2.47¼ | 2.47¾ | —.00½ |
| 2.71 | 2.29 | Sep | 2.46½ | 2.47¼ | 2.46¼ | 2.46¼ | —.01 |
| 2.63½ | 2.22 | Dec | 2.44 | 2.45¼ | 2.43½ | 2.44 | —.01½ |
| 2.56¼ | 2.41 | Mar | 2.50½ | 2.51 | 2.50 | 2.50¼ | —.01¼ |
| 2.60½ | 2.53½ | May | 2.54¾ | 2.54¾ | 2.53¾ | 2.54 | —.01½ |
| Est. Sales | Prev. Sales 24,785 | | | | | | |
| Prev. Day Open Int. 182,421 up 1,897 | | | | | | | |
| **SOYBEANS (CBT)** 5,000 bu minimum- dollars per bushel | | | | | | | |
| 7.74 | 5.53½ | Mar | 5.60 | 5.63½ | 5.58 | 5.61 | +.02½ |
| 7.78 | 5.66¼ | May | 5.72 | 5.76 | 5.71 | 5.73½ | +.01¾ |
| 7.31 | 5.78 | Jul | 5.85 | 5.87¾ | 5.83½ | 5.85½ | +.01 |
| 7.05 | 5.78 | Aug | 5.88½ | 5.91 | 5.88½ | 5.89 | +.00¼ |
| 6.60 | 5.68 | Sep | 5.89 | 5.91 | 5.88¼ | 5.89½ | —.00¼ |
| 6.40 | 5.64½ | Nov | 5.94½ | 5.97 | 5.93½ | 5.95¼ | +.00½ |
| 6.35½ | 5.87 | Jan | 6.04¼ | 6.06¼ | 6.03½ | 6.05½ | +.01½ |
| 6.43 | 6.08 | Mar | 6.15 | 6.16 | 6.15 | 6.16 | +.01 |
| 6.27½ | 6.14½ | May | 6.20½ | 6.23 | 6.20 | 6.23 | +.01 |
| Est. Sales | Prev. Sales 1,441 | | | | | | |
| Prev. Day Open Int. 9,495 off 85,886 | | | | | | | |
| **SOYBEAN MEAL (CBT)** 100 tons- dollars per ton | | | | | | | |
| 249.20 | 167.10 | Mar | 167.20 | 168.40 | 166.80 | 167.90 | +.30 |
| 230.50 | 168.40 | May | 170.50 | 171.60 | 170.10 | 171.10 | +.20 |
| 208.00 | 172.50 | Jul | 173.00 | 174.50 | 173.00 | 174.10 | +.40 |
| 188.00 | 173.50 | Aug | 175.20 | 176.30 | 174.80 | 175.50 | +.60 |
| 188.00 | 171.50 | Sep | 177.00 | 178.10 | 176.80 | 177.70 | +.60 |
| 188.50 | 174.00 | Oct | 178.50 | 179.80 | 178.50 | 179.00 | +.50 |
| 190.50 | 174.00 | Dec | 181.00 | 182.50 | 181.00 | 182.00 | +.20 |
| 189.00 | 181.50 | Jan | 182.50 | 184.00 | 182.58 | 183.70 | +.70 |
| Est. Sales | Prev. Sales 13,804 | | | | | | |
| Prev. Day Open Int. 66,310 up 1,736 | | | | | | | |
| **SOYBEAN OIL (CBT)** 60,000 lbs- dollars per 100 lbs. | | | | | | | |
| 25.85 | 18.78 | Mar | 19.10 | 19.24 | 19.05 | 19.17 | +.07 |
| 26.05 | 19.20 | May | 19.48 | 19.62 | 19.42 | 19.55 | +.08 |
| 25.80 | 19.50 | Jul | 19.76 | 19.85 | 19.71 | 19.81 | +.06 |
| 22.90 | 19.50 | Aug | 19.78 | 19.88 | 19.73 | 19.87 | +.07 |
| 21.70 | 19.50 | Sep | 19.83 | 19.90 | 19.83 | 19.88 | +.07 |
| 21.35 | 19.65 | Oct | 19.83 | 19.95 | 19.83 | 19.88 | +.05 |
| 21.50 | 19.80 | Dec | 19.95 | 20.08 | 19.90 | 20.02 | +.07 |
| 21.45 | 19.91 | Jan | 20.05 | 20.10 | 20.00 | 20.03 | +.03 |
| 20.60 | 20.00 | Mar | | | | 20.10 | +.05 |
| Est. Sales | Prev. Sales 12,167 | | | | | | |
| Prev. Day Open Int. 75,370 up 652 | | | | | | | |
| **Livestock** | | | | | | | |
| **CATTLE (CME)** 40,000 lbs.- cents per lb. | | | | | | | |
| 80.10 | 69.80 | Feb | 79.92 | 79.95 | 79.27 | 79.35 | —.60 |
| 77.70 | 70.80 | Apr | 76.90 | 76.97 | 76.00 | 76.02 | —1.05 |
| 73.45 | 69.75 | Jun | 72.65 | 72.67 | 71.70 | 71.80 | —.82 |
| 72.07 | 69.12 | Aug | 71.20 | 71.30 | 70.75 | 70.85 | —.32 |
| 72.75 | 68.30 | Oct | 72.00 | 72.00 | 71.40 | 71.45 | —.47 |
| 73.20 | 71.00 | Dec | 72.65 | 72.80 | 72.53 | 72.50 | —.30 |
| Est. Sales 16,804 | Prev. Sales 17,543 | | | | | | |
| Prev. Day Open Int. 108,255 up 1,273 | | | | | | | |
| **FEEDER CATTLE (CME)** 44,000 lbs.- cents per lb. | | | | | | | |
| 84.10 | 77.40 | Mar | 83.27 | 83.27 | 82.50 | 82.52 | —.75 |
| 83.07 | 78.90 | Apr | 82.25 | 82.25 | 81.60 | 81.65 | —.70 |
| 82.40 | 78.60 | May | 81.60 | 81.65 | 81.05 | 81.10 | —.47 |
| 81.20 | 78.50 | Aug | 80.70 | 80.70 | 80.35 | 80.50 | —.22 |
| 80.50 | 78.00 | Sep | 79.95 | 79.95 | 79.95 | 79.95 | —.20 |
| 80.15 | 78.20 | Oct | 79.80 | 79.80 | 79.60 | 79.60 | —.25 |
| 80.70 | 79.00 | Nov | 79.85 | 79.85 | 79.70 | 79.70 | —.30 |
| Est. Sales 5,193 | Prev. Sales 846 | | | | | | |
| Prev. Day Open Int. 10,560 up 58 | | | | | | | |
| **HOGS (CME)** 30,000 lbs.- cents per lb. | | | | | | | |
| 51.87 | 41.75 | Feb | 49.65 | 49.72 | 48.52 | 48.70 | —.72 |
| 49.25 | 39.40 | Apr | 47.35 | 47.47 | 46.82 | 46.87 | —.45 |
| 53.62 | 44.25 | Jun | 52.85 | 52.97 | 52.42 | 52.42 | —.35 |
| 53.47 | 44.95 | Jul | 52.90 | 52.90 | 52.30 | 52.37 | —.33 |
| 52.10 | 43.70 | Aug | 51.30 | 51.45 | 51.00 | 51.05 | —.10 |
| 46.72 | 40.80 | Oct | 46.40 | 46.50 | 46.25 | 46.35 | —.12 |
| 47.90 | 44.25 | Dec | 46.85 | 47.00 | 46.65 | 46.65 | —.27 |
| 47.70 | 45.25 | Feb | 46.80 | 46.80 | 46.80 | 46.80 | —.32 |
| Est. Sales 6,772 | Prev. Sales 5,174 | | | | | | |
| Prev. Day Open Int. | | | | | | | |
| **PORK BELLIES (CME)** 40,000 lbs.- cents per lb. | | | | | | | |
| 65.90 | 38.30 | Feb | 51.10 | 51.55 | 50.25 | 50.45 | —.45 |
| 64.90 | 38.15 | Mar | 51.55 | 52.07 | 50.75 | 50.82 | —.35 |
| 63.75 | 39.58 | May | 52.30 | 52.90 | 51.95 | 52.05 | —.12 |
| 61.90 | 39.95 | Jul | 52.40 | 53.05 | 52.10 | 52.12 | —.48 |
| 60.08 | 39.30 | Aug | 50.65 | 51.70 | 50.30 | 50.37 | —.28 |
| 62.40 | 48.07 | Feb | 54.35 | 54.55 | 53.82 | 53.82 | —.23 |
| 58.00 | 50.30 | Mar | 53.82 | 53.82 | 53.82 | 53.82 | —1.98 |
| Est. Sales 5,007 | Prev. Sales 8,449 | | | | | | |
| Prev. Day Open Int. 12,915 up 42 | | | | | | | |
| **Food** | | | | | | | |
| **COFFEE C (NYCSCE)** 37,500 lbs.- cents per lb. | | | | | | | |
| 146.00 | 71.00 | Mar | 79.80 | 81.00 | 79.75 | 79.99 | —.38 |
| 124.50 | 72.75 | May | 81.50 | 82.60 | 81.50 | 81.59 | —.36 |
| 132.25 | 74.85 | Jul | 83.60 | 84.25 | 83.30 | 83.31 | —.65 |
| 120.00 | 77.25 | Sep | 85.60 | 85.90 | 85.00 | 85.00 | —.75 |
| 104.00 | 81.00 | Dec | 88.00 | 88.00 | 87.40 | 87.28 | —.45 |
| 116.75 | 83.00 | Mar | 89.25 | 90.25 | 89.50 | 89.60 | —.30 |
| 123.00 | 91.50 | May | | | | 91.55 | —.28 |
| Est. Sales 4,125 | Prev. Sales 3,951 | | | | | | |
| Prev. Day Open Int. 37,628 up 72 | | | | | | | |
| **SUGARWORLD 11 (NYCSCE)** 112,000 lbs.- cents per lb. | | | | | | | |
| 15.38 | 8.75 | Mar | 14.49 | 14.75 | 14.41 | 14.73 | +.29 |
| 15.25 | 9.20 | May | 14.50 | 14.67 | 14.40 | 14.66 | +.22 |
| 15.08 | 10.55 | Jul | 14.32 | 14.50 | 14.25 | 14.49 | +.24 |
| 14.65 | 10.48 | Oct | 13.94 | 14.16 | 13.85 | 14.12 | +.33 |
| 13.80 | 12.10 | Mar | 13.20 | 13.35 | 13.15 | 13.35 | +.19 |
| | | May | | | | 13.23 | +.15 |
| Est. Sales 19,075 | Prev. Sales 32,366 | | | | | | |
| Prev. Day Open Int. 9,445 off 62,108 | | | | | | | |
| **COCOA (NYCSCE)** 10 metric tons- $ per ton | | | | | | | |
| 1535 | 896 | Mar | 972 | 975 | 958 | 962 | —14 |
| 1465 | 905 | May | 963 | 967 | 955 | 957 | —11 |
| 1380 | 921 | Jul | 982 | 984 | 972 | 974 | —9 |
| 1400 | 941 | Sep | 999 | 999 | 990 | 991 | —10 |
| 1395 | 965 | Dec | 1017 | 1020 | 1012 | 1014 | —9 |
| 1380 | 985 | Mar | 1039 | 1039 | 1032 | 1034 | —7 |
| 1071 | 1000 | May | 1050 | 1050 | 1050 | 1050 | —3 |
| Est. Sales 4,014 | Prev. Sales 3,354 | | | | | | |
| Prev. Day Open Int. 52,360 off 222 | | | | | | | |
| **ORANGE JUICE (NYCE)** 15,000 lbs.- cents per lb. | | | | | | | |
| 201.00 | 121.00 | Jan | 178.00 | 178.00 | 178.00 | 178.50 | —.50 |
| 206.50 | 121.40 | Mar | 197.00 | 198.25 | 196.60 | 198.10 | +.85 |
| 205.85 | 123.00 | May | 195.50 | 196.80 | 195.50 | 196.55 | +.90 |
| 205.50 | 123.00 | Jul | 194.00 | 194.25 | 193.65 | 194.00 | +.35 |
| 202.00 | 123.50 | Sep | 187.30 | 188.50 | 187.30 | 188.15 | +.90 |
| 199.50 | 124.00 | Nov | 180.00 | 182.50 | 172.00 | 182.25 | +1.25 |
| 190.50 | 179.80 | Mar | | | | 178.50 | —.50 |
| 190.00 | 178.00 | May | | | | 178.50 | —.50 |
| Est. Sales | Prev. Sales 770 | | | | | | |
| Prev. Day Open Int. 18,400 off 63 | | | | | | | |
| **Metals** | | | | | | | |
| **HI GRADE COPPER** 25,000 lbs.- cents per lb. | | | | | | | |
| 126.00 | 96.00 | Feb | 96.30 | 99.50 | 96.30 | 99.40 | +3.25 |
| 125.90 | 95.00 | Mar | 95.35 | 98.85 | 95.00 | 98.60 | +2.95 |
| 123.70 | 95.00 | Apr | | | | 97.80 | +2.50 |
| 120.70 | 94.60 | May | 94.50 | 97.40 | 94.50 | 97.30 | +2.35 |
| 116.80 | 95.20 | Jun | | | | 97.00 | +2.15 |
| 117.10 | 93.25 | Jul | 94.50 | 96.70 | 93.80 | 96.40 | +2.15 |
| 110.50 | 95.00 | Aug | | | | 95.80 | +1.95 |
| 113.30 | 93.30 | Sep | 92.50 | 94.80 | 92.50 | 95.05 | +1.70 |
| 109.00 | 94.50 | Oct | | | | 94.65 | +1.60 |
| 101.70 | 94.50 | Nov | | | | 94.35 | +1.50 |
| 110.00 | 92.30 | Dec | 91.90 | 93.50 | 91.50 | 93.85 | +1.40 |
| 102.50 | 94.00 | Jan | | | | 93.70 | +1.35 |
| 106.00 | 92.30 | Mar | 92.50 | 92.50 | 92.50 | 93.05 | +1.30 |
| 103.25 | 103.25 | May | | | | 92.35 | +1.30 |
| | | Jul | | | | 92.35 | +1.28 |
| | | Sep | | | | 92.35 | +1.20 |
| Est. Sales | Prev. Sales 6,222 | Prev. Day Open Int. 34,146 | | | | Chg. +328 | |
| **ALUMINUM (COMEX)** 40,000 lbs.- cents per lb. | | | | | | | |
| | | Feb | | | | 62.75 | —.50 |
| 87.00 | 65.00 | Mar | | | | 65.00 | —.50 |
| 75.00 | 65.00 | May | | | | 65.25 | —.50 |
| 95.50 | 95.50 | Jul | 66.00 | 66.00 | 66.00 | 66.00 | |
| 74.50 | 74.50 | Sep | | | | 66.00 | |
| | | Dec | | | | 66.00 | |
| | | Jan | | | | 66.00 | |
| | | Mar | | | | 66.00 | |
| | | May | | | | 66.00 | |
| | | Jul | | | | 66.50 | |
| | | Sep | | | | 66.00 | |
| | | Dec | | | | 66.00 | |
| Est. Sales 2 | Prev. Sales | | | | | | |
| Prev. Day Open Int. 92,084 up 92,045 | | | | | | | |
| **SILVER (COMEX)** 5,000 troy oz.- cents per troy oz. | | | | | | | |
| 567.0 | 520.0 | Feb | 523.0 | 525.5 | 520.5 | 519.4 | —1.3 |
| 910.0 | 517.6 | Mar | 523.0 | 525.0 | 520.0 | 522.8 | —1.3 |
| | | Apr | | | | 527.0 | —1.3 |
| 910.0 | 526.5 | May | 532.0 | 533.0 | 528.0 | 531.1 | —1.3 |
| 761.5 | 534.0 | Jul | 539.7 | 541.5 | 536.5 | 539.2 | —1.3 |
| 760.0 | 541.0 | Sep | 547.5 | 549.5 | 546.0 | 547.8 | —1.5 |
| 742.0 | 552.5 | Dec | 559.0 | 562.5 | 557.0 | 559.6 | —1.4 |
| 688.0 | 569.0 | Jan | | | | 563.1 | —1.3 |
| 665.0 | 565.0 | Mar | 572.0 | 572.0 | 572.0 | 571.7 | —1.2 |
| 647.0 | 573.0 | May | 578.4 | 579.9 | 578.4 | 579.7 | —1.2 |
| 667.5 | 583.0 | Jul | 588.5 | 590.0 | 588.5 | 588.3 | —1.1 |
| 654.0 | 590.0 | Sep | | | | 597.5 | —1.0 |
| Est. Sales 17,000 | Prev. Sales 10,466 | | | | | | |
| Prev. Day Open Int. 92,084 off 480 | | | | | | | |
| **PLATINUM (NYME)** 50 troy oz.- dollars per troy oz. | | | | | | | |
| | | Feb | | | | 505.20 | —7.40 |
| 557.50 | 473.00 | Apr | 514.50 | 517.00 | 511.50 | 512.20 | —7.40 |
| 556.00 | 477.00 | Jul | 521.00 | 523.00 | 519.00 | 518.50 | —7.40 |
| 560.50 | 483.50 | Oct | 529.50 | 530.00 | 525.00 | 524.80 | —7.40 |
| 545.20 | 493.90 | Jan | | | | 531.20 | —7.50 |
| 551.00 | 529.50 | Apr | 544.00 | 544.00 | 544.00 | 538.70 | —7.50 |
| Est. Sales | Prev. Sales 4,274 | | | | | | |
| Prev. Day Open Int. 19,102 up 345 | | | | | | | |
| **PALLADIUM (NYME)** 100 troy oz- dollars per oz | | | | | | | |
| 176.00 | 122.00 | Mar | 136.50 | 137.25 | 136.50 | 136.80 | —.90 |
| 175.00 | 133.00 | Jun | 137.00 | 138.00 | 137.00 | 137.55 | —.90 |
| 149.50 | 133.00 | Sep | 138.00 | 138.75 | 138.00 | 138.55 | —.90 |
| 147.00 | 138.95 | Dec | 140.00 | 141.00 | 140.00 | 139.55 | —.90 |
| 141.00 | 141.00 | Mar | | | | 140.55 | —.90 |
| Est. Sales | Prev. Sales 147 | | | | | | |
| Prev. Day Open Int. 6,322 off 30 | | | | | | | |
| **GOLD (COMEX)** 100 troy oz.- dollars per troy oz. | | | | | | | |
| 516.00 | 364.70 | Feb | 415.00 | 416.50 | 411.80 | 412.40 | —5.70 |
| 427.00 | 397.00 | Mar | 414.50 | 414.50 | 414.50 | 414.90 | —5.90 |
| 525.80 | 370.00 | Apr | 421.00 | 422.80 | 417.00 | 417.80 | —6.10 |
| 497.00 | 372.90 | Jun | 427.50 | 428.00 | 422.50 | 423.40 | —6.30 |
| 487.00 | 380.00 | Aug | 429.50 | 430.20 | 427.50 | 428.50 | —6.40 |
| 472.00 | 384.50 | Oct | 437.00 | 437.00 | 434.00 | 433.90 | —6.40 |
| 455.50 | 387.50 | Dec | 443.00 | 443.70 | 437.50 | 439.30 | —6.40 |
| 456.50 | 394.80 | Feb | 448.10 | 448.10 | 448.10 | 444.90 | —6.40 |
| 460.00 | 398.90 | Apr | 453.20 | 453.20 | 453.20 | 450.20 | —6.40 |
| 463.00 | 402.60 | Jun | | | | 456.00 | —6.40 |
| 468.00 | 387.30 | Aug | | | | 461.60 | —6.40 |
| 475.00 | 430.00 | Oct | 468.50 | 468.50 | 468.50 | 467.40 | —6.40 |
| Est. Sales 65,000 | Prev. Sales 71,583 | | | | | | |
| Prev. Day Open Int. 145,550 off 1,061 | | | | | | | |
| **Financial** | | | | | | | |
| **US T. BILLS (IMM)** $1 million- pts of 100 pct. | | | | | | | |
| 93.60 | 90.75 | Mar | 92.46 | 92.50 | 92.44 | 92.49 | |
| 93.65 | 91.10 | Jun | 92.65 | 92.65 | 92.63 | 92.64 | |
| 93.65 | 91.28 | Sep | 92.63 | 92.63 | 92.63 | 92.66 | +.02 |
| 93.32 | 92.44 | Dec | | | | 92.44 | |
| 93.20 | 92.42 | Mar | | | | 92.42 | |
| 92.70 | 92.29 | Jun | | | | 92.29 | |
| Est. Sales | Prev. Sales 7,756 | | | | | | |
| Prev. Day Open Int. 38,739 off 479 | | | | | | | |
| **10 YR. TREASURY (CBT)** $100,000 prin- pts & 32nds of 100 pct | | | | | | | |
| 101-7 | 95-17 | Mar | 96-17 | 97-1 | 96-2 | 97 | +19 |
| 101-6 | 95-26 | Jun | 95-31 | 96-27 | 95-29 | 96-26 | +18 |
| 100-14 | 96-7 | Sep | | | | 96-23 | +18 |
| Est. Sales | Prev. Sales 30,937 | | | | | | |
| Prev. Day Open Int. 80,044 up 1,690 | | | | | | | |
| **US TREASURY BONDS (CBT)** (8 pct-$100,000-pts & 32nds of 100 pct) | | | | | | | |
| 101-4 | 72-1 | Mar | 93-9 | 94-9 | 92-30 | 94-8 | +11 |
| 100-15 | 75 | Jun | 93-6 | 94-4 | 92-24 | 94-2 | +11 |
| 100-4 | 79-1 | Sep | 93 | 93-29 | 92-21 | 93-29 | +11 |
| 99-24 | 80 | Dec | 92-17 | 93-23 | 92-17 | 93-23 | +11 |
| 99-12 | 79-21 | Mar | 92-10 | 93-16 | 92-10 | 93-15 | +11 |
| 99-4 | 82-18 | Jun | 92-1 | 93-7 | 92-1 | 93-7 | +11 |
| 99-5 | 86-4 | Sep | | | | 92-31 | +11 |
| 98-20 | 88-18 | Dec | 92-7 | 92-24 | 92-7 | 92-24 | +11 |
| 98-13 | 94-4 | Mar | | | | 92-17 | +11 |
| 97-19 | 93-18 | Jun | | | | 92-10 | +11 |
| | | Sep | | | | 92-3 | +11 |
| Est. Sales | Prev. Sales 516,618 | | | | | | |
| Prev. Day Open Int. 332,968 up 8,909 | | | | | | | |
| **MUNICIPAL BONDS (CBT)** $1000x Index-pts & 32nds of 100 pct | | | | | | | |
| 95-22 | 85-19 | Mar | 90-9 | 91-3 | 90-2 | 91-3 | +24d |
| 95-13 | 87-2 | Jun | 90-1 | 90-31 | 90 | 90-31 | +25 |
| 95-11 | 90-13 | Sep | 90-1 | 90-30 | 89-29 | 90-30 | +24 |
| Est. Sales | Prev. Sales 6,517 | | | | | | |
| Prev. Day Open Int. 11,372 off 229 | | | | | | | |
| **EURODOLLARS (IMM)** $1 million-pts of 100 pct. | | | | | | | |
| 92.46 | 88.90 | Mar | 91.62 | 91.67 | 91.58 | 91.65 | +.01 |
| 92.45 | 88.82 | Jun | 91.55 | 91.61 | 91.51 | 91.60 | +.02 |
| 92.39 | 88.74 | Sep | 91.44 | 91.51 | 91.40 | 91.50 | +.04 |
| 92.15 | 89.85 | Dec | 91.21 | 91.29 | 91.20 | 91.27 | +.04 |
| 92.01 | 89.96 | Mar | 91.11 | 91.20 | 91.11 | 91.19 | +.05 |
| 91.85 | 89.71 | Jun | 90.99 | 91.09 | 90.99 | 91.08 | +.05 |
| 91.83 | 90.04 | Sep | 90.95 | 91.05 | 90.94 | 91.04 | +.05 |
| 91.78 | 90.04 | Dec | 90.88 | 90.97 | 90.83 | 90.96 | +.06 |
| 91.82 | 90.09 | Mar | 90.93 | 91.01 | 90.91 | 91.00 | +.05 |
| 91.76 | 90.88 | Jun | 90.87 | 90.97 | 90.87 | 90.96 | +.05 |
| 91.72 | 90.86 | Sep | 90.84 | 90.92 | 90.84 | 90.91 | +.05 |
| 91.53 | 90.76 | Dec | 90.74 | 90.82 | 90.74 | 90.82 | +.05 |
| 91.45 | 90.77 | Mar | 90.77 | 90.83 | 90.77 | 90.82 | +.05 |
| 91.51 | 90.73 | Jun | 90.74 | 90.78 | 90.71 | 90.77 | +.05 |
| 91.47 | 90.68 | Sep | 90.68 | 90.71 | 90.65 | 90.71 | +.05 |
| 91.37 | 90.60 | Dec | 90.61 | 90.66 | 90.60 | 90.65 | +.04 |
| Est. Sales | Prev. Sales 163,445 | | | | | | |
| Prev. Day Open Int. 652,455 up 485 | | | | | | | |
| **BRITISH POUND (IMM)** $ per pound- 1 point equals $0.0001 | | | | | | | |
| 1.6722 | 1.4600 | Mar | 1.6680 | 1.6702 | 1.6620 | 1.6660 | +84 |
| 1.6750 | 1.4400 | Jun | 1.6420 | 1.6444 | 1.6378 | 1.6406 | +82 |
| 1.7700 | 1.5290 | Sep | 1.6220 | 1.6220 | 1.6160 | 1.6178 | +82 |
| Est. Sales | Prev. Sales 14,089 | | | | | | |
| Prev. Day Open Int. 26,394 up 1,227 | | | | | | | |
| **CANADIAN DOLLAR (IMM)** $ per dlr- 1 point equals $0.0001 | | | | | | | |
| .8595 | .7890 | Mar | .8355 | .8397 | .8346 | .8376 | +17 |
| .8521 | .8088 | Jun | .8283 | .8319 | .8276 | .8304 | +18 |
| .8468 | .8107 | Sep | .8228 | .8260 | .8228 | .8242 | +19 |
| .8420 | .8120 | Dec | .8180 | .8180 | .8180 | .8200 | +30 |
| .8365 | .8115 | Mar | .8131 | .8131 | .8131 | .8150 | +33 |
| | | Jun | | | | .8086 | +22 |
| Est. Sales | Prev. Sales 3,478 | | | | | | |
| Prev. Day Open Int. 29,318 up 74 | | | | | | | |
| **FRENCH FRANC (IMM)** $ per franc- 1 point equals $0.00001 | | | | | | | |
| | | Mar | | | | .16780 | |
| Est. Sales | Prev. Sales | | | | | | |
| Prev. Day Open Int. 25 | | | | | | | |
| **GERMAN MARK (IMM)** $ per mark- 1 point equals $0.0001 | | | | | | | |
| .6012 | .5000 | Mar | .5942 | .5957 | .5921 | .5939 | +59 |
| .6007 | .5057 | Jun | .5938 | .5953 | .5920 | .5938 | +60 |
| .5980 | .5525 | Sep | .5938 | .5938 | .5928 | .5936 | +60 |
| .5866 | .5769 | Dec | | | | .5936 | +60 |
| .5940 | .5820 | Mar | | | | .5936 | +60 |
| Est. Sales | Prev. Sales 51,925 | | | | | | |
| Prev. Day Open Int. 63,347 off 1,062 | | | | | | | |
| **JAPANESE YEN (IMM)** $ per yen- 1 point equals $0.000001 | | | | | | | |
| .008338 | .006780 | Mar | .006944 | .006953 | .006928 | .006939 | +30 |
| .007530 | .006850 | Jun | .006965 | .006968 | .006949 | .006957 | +30 |
| .007390 | .006900 | Sep | | | | .006977 | +30 |
| .007080 | .006920 | Dec | | | | .006999 | +30 |
| Est. Sales | Prev. Sales 43,974 | | | | | | |
| Prev. Day Open Int. 65,881 off 144 | | | | | | | |
| **SWISS FRANC (IMM)** $ per franc- 1 point equals $0.0001 | | | | | | | |
| .6744 | .5740 | Mar | .6685 | .6700 | .6634 | .6655 | +17 |
| .6725 | .5850 | Jun | .6665 | .6680 | .6615 | .6636 | +18 |
| .6670 | .6050 | Sep | | | | .6645 | +19 |
| .6592 | .5600 | Dec | | | | .6625 | +24 |
| .6575 | .6500 | Mar | | | | .6630 | +23 |
| Est. Sales | Prev. Sales 25,808 | | | | | | |
| Prev. Day Open Int. 38,741 off 773 | | | | | | | |
| **Industrials** | | | | | | | |
| **LUMBER (CME)** 150,000 bd. ft.- $ per 1,000 bd. ft. | | | | | | | |
| 205.20 | 185.00 | Mar | 200.40 | 203.50 | 199.30 | 202.30 | +1.90 |
| 203.40 | 188.00 | May | 199.30 | 202.00 | 198.60 | 201.50 | +1.60 |
| 203.40 | 177.50 | Jul | 199.70 | 201.50 | 199.10 | 201.00 | +1.00 |
| 202.70 | 192.00 | Sep | 199.50 | 201.30 | 199.20 | 201.00 | +1.00 |
| 200.00 | 189.90 | Nov | 196.10 | 197.70 | 196.10 | 197.80 | +.90 |
| 199.90 | 186.30 | Jan | 199.00 | 199.50 | 198.80 | 198.00 | —2.40 |
| 202.00 | 198.50 | Mar | 202.30 | 202.30 | 198.50 | 198.50 | —5.00 |
| Est. Sales 1,189 | Prev. Sales 7,069 | | | | | | |
| Prev. Day Open Int. 31,135 up 24,826 | | | | | | | |
| **COTTON 2 (NYCE)** 50,000 lbs.- cents per lb. | | | | | | | |
| 78.40 | 53.40 | Mar | 66.50 | 67.60 | 66.25 | 67.05 | +1.33 |
| 78.85 | 55.90 | May | 67.80 | 68.90 | 67.70 | 68.18 | +1.06 |
| 78.70 | 63.70 | Jul | 67.99 | 68.90 | 67.85 | 68.57 | +1.17 |
| 72.20 | 63.95 | Oct | 65.90 | 66.50 | 65.90 | 66.35 | +.70 |
| 69.20 | 62.80 | Dec | 64.75 | 65.49 | 64.78 | 65.20 | +.70 |
| 68.45 | 63.82 | Mar | 66.00 | 66.80 | 66.00 | 65.95 | +.60 |
| 65.00 | 64.40 | May | | | | 66.45 | +.47 |
| 77.40 | 76.45 | Jul | | | | 66.95 | +.45 |
| Est. Sales 8,000 | Prev. Sales 5,745 | | | | | | |
| Prev. Day Open Int. 39,842 off 205 | | | | | | | |
| **HEATING OIL (NYME)** 42,000 gal- cents per gal | | | | | | | |
| 78.57 | 48.00 | Feb | 59.50 | 59.50 | 58.55 | 59.00 | —1.51 |
| 67.50 | 46.40 | Mar | 57.10 | 57.80 | 56.90 | 57.55 | —.63 |
| 62.50 | 45.00 | Apr | 55.30 | 56.00 | 55.20 | 55.95 | —.15 |
| 59.50 | 44.50 | May | 53.80 | 54.45 | 53.80 | 54.45 | —.10 |
| 57.70 | 44.90 | Jun | 52.50 | 53.15 | 52.60 | 53.10 | —.25 |
| 57.20 | 46.50 | Jul | 52.50 | 53.10 | 52.50 | 52.95 | —.20 |
| 57.40 | 47.80 | Aug | 52.70 | 53.40 | 52.70 | 53.40 | —.27 |
| 58.00 | 48.00 | Sep | 53.58 | 54.30 | 53.50 | 54.30 | —.17 |
| 56.00 | 52.00 | Oct | 54.50 | 54.50 | 54.50 | 54.30 | —.57 |
| 56.25 | 51.80 | Nov | 54.80 | 54.80 | 54.80 | 55.20 | —.47 |
| 58.50 | 52.85 | Dec | | | | 55.80 | —.47 |
| Est. Sales | Prev. Sales 26,323 | | | | | | |
| Prev. Day Open Int. 73,008 off 1,326 | | | | | | | |
| **CRUDE OIL (NYME)** 1,000 bbl.- dollars per bbl. | | | | | | | |
| 23.10 | 16.10 | Mar | 22.17 | 22.70 | 22.11 | 22.64 | +.20 |
| 22.58 | 16.30 | Apr | 21.48 | 21.95 | 21.48 | 21.95 | +.18 |
| 22.15 | 16.20 | May | 21.14 | 21.56 | 21.15 | 21.56 | +.17 |
| 21.74 | 16.50 | Jun | 20.98 | 21.17 | 20.85 | 21.17 | +.13 |
| 21.40 | 16.60 | Jul | 20.57 | 20.83 | 20.55 | 20.80 | +.08 |
| 21.05 | 16.39 | Aug | 20.30 | 20.43 | 20.35 | 20.43 | |
| 20.86 | 16.50 | Sep | 19.95 | 20.20 | 19.95 | 20.20 | |
| 20.55 | 16.50 | Oct | 19.93 | 19.97 | 19.90 | 19.97 | —.06 |
| 20.46 | 17.30 | Nov | 19.80 | 19.95 | 19.78 | 19.95 | +.03 |
| 20.50 | 12.80 | Dec | 19.65 | 19.84 | 19.65 | 19.77 | —.08 |
| 20.43 | 17.87 | Jan | 19.62 | 19.82 | 19.62 | 19.82 | +.04 |
| 20.98 | 18.15 | Feb | 19.63 | 19.70 | 19.63 | 19.70 | —.03 |
| 19.95 | 18.40 | Mar | 19.60 | 19.65 | 19.60 | 19.65 | —.03 |
| 20.11 | 18.03 | Apr | 19.51 | 19.55 | 19.51 | 19.51 | —.12 |
| 20.08 | 18.03 | May | 19.50 | 19.50 | 19.58 | 19.58 | —.08 |
| Est. Sales | Prev. Sales 75,129 | | | | | | |
| Prev. Day Open Int. 275,570 up 4,242 | | | | | | | |
| **Stock Indexes** | | | | | | | |
| **SP COMP. INDEX (CME)** points and cents | | | | | | | |
| 369.05 | 320.75 | Mar | 327.00 | 330.65 | 326.65 | 330.50 | +5.30 |
| 373.20 | 324.70 | Jun | 331.00 | 334.65 | 329.90 | 334.45 | +5.45 |
| 372.50 | 329.00 | Sep | 334.75 | 338.00 | 334.75 | 338.35 | +5.50 |
| 345.20 | 333.50 | Dec | 339.00 | 339.00 | 339.00 | 343.85 | +5.85 |
| Est. Sales 59,725 | Prev. Sales 62,914 | | | | | | |
| Prev. Day Open Int. 121,998 up 1,452 | | | | | | | |
| **VALUE LINE (KCBT)** points and cents | | | | | | | |
| 314.90 | 262.50 | Mar | 266.00 | 269.50 | 264.88 | 269.45 | +3.40 |
| 317.30 | 267.00 | Jun | | | | 273.45 | +3.50 |
| 287.65 | 286.10 | Sep | | | | 277.35 | +3.50 |
| 281.00 | 279.30 | Dec | | | | 281.75 | +3.50 |
| Est. Sales | Prev. Sales 104 | | | | | | |
| Prev. Day Open Int. 1,218 up 16 | | | | | | | |
| **NYSE COMP. INDEX (NYFE)** points and cents | | | | | | | |
| 204.20 | 170.20 | Mar | 180.70 | 182.50 | 180.05 | 182.50 | +2.80 |
| 205.45 | 179.00 | Jun | 182.75 | 184.50 | 182.45 | 184.55 | +2.85 |
| 209.00 | 181.00 | Sep | 184.75 | 185.90 | 184.75 | 186.60 | +2.80 |
| 206.50 | 187.50 | Dec | 186.75 | 186.75 | 186.75 | 188.65 | +2.75 |
| Est. Sales 4,350 | Prev. Sales 8,660 | | | | | | |
| Prev. Day Open Int. 6,071 | | | | | | | |

**Commodity Indexes**

| | Close | Previous |
|---|---|---|
| Moody's | 1,060.80 f | 1,059.10 f |
| Reuters | 1,770.60 | 1,773.10 |
| D.J. Futures | 129.09 | 128.99 |
| Com. Research | 229.98 | 230.82 |

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

# WORLD STOCK MARKETS

Agence France Presse Jan. 31

| | Close | Prev. |
|---|---|---|
| **Amsterdam** | | |
| ABN Bank | 40 | 39.80 |
| ACF Holding | 35.80 | 37 |
| Aegon | 109.50 | 110.10 |
| Ahold | 121.70 | 122.70 |
| Akzo | 126.80 | 127.50 |
| AMEV | 59.40 | 59.60 |
| A'Dam Rubber | 5.60 | 5.40 |
| Amro Bank | 77.50 | 77.40 |
| Bols | 168 | 168 |
| Buhrmann Tett | 58.40 | 59 |
| BVG | 29.70 | 29.50 |
| Center Parcs | 59.50 | 61 |
| CSM | 77.30 | 77 |
| DAF | 36 | 36.50 |
| DSM | 114.10 | 114.30 |
| Elsevier | 78.80 | 79 |
| Fokker | 37.70 | 37.90 |
| Gist-Brocades | 28.10 | 28.50 |
| Heineken | 116.30 | 118.60 |
| Hoogovens | 73.30 | 73.20 |
| Hunter Douglas | 108.30 | 100.30 |
| IHC Caland | 34.80 | 36.80 |
| Inter Mueller | 94.90 | 96 |
| KLM | 42.80 | 43.20 |
| KNP | 39 | 40.20 |
| Nat Neder | 70.80 | 71 |
| Nedlloyd | 85.50 | 84.90 |
| NMB Bank | 49.10 | 49.20 |
| Oce Grinten | 276 | 276 |
| Pakhoed | 155.30 | 155.20 |
| Philips | 43 | 43 |
| Robeco | 102.20 | 101.60 |
| Rodamco | 80.30 | 79 |
| Rolinco | 100.70 | 100.40 |
| Rorento | 58.60 | 58.50 |
| Royal Dutch | 143.50 | 142.10 |
| Unilever | 150.80 | 150.60 |
| Van Ommeren | 35.70 | 35.80 |
| VMF Stork | 46.70 | 47 |
| VNU | 102.50 | 103.70 |
| Wessanen | 65 | 66.10 |
| Wolters/Kluwer | 43.90 | 44 |
| CBS Gen'l trend index : 112.00 | | |
| Previous : 112.60 | | |
| **Brussels** | | |
| AG Fin | 10100 | 10075 |
| Arbed | 5000 | 5030 |
| Bekaert | 16025 | 16100 |
| Cockerill | 197 | 199 |
| Cobepa | 5750 | 5720 |
| Delhaize | 5510 | 5560 |
| EBES | 4285 | 4285 |
| GB-Inno-BM | 1350 | 1338 |
| GBL | 4390 | 4390 |
| Gevaert | 8200 | 8200 |
| Hoboken | 22125 | 22150 |
| Intercom | 3530 | 3550 |
| Kredietbank | 4195 | 4220 |
| Petrofina | 11775 | 11775 |
| Royal Belge | 5800 | 5890 |
| Soc Gen Baue | 5100 | 5200 |
| Soc Gen (resrv) | 3425 | 3450 |
| Sofina | 13275 | 13325 |
| Solvay | 13600 | 13775 |
| Tractebel | 8900 | 8900 |
| UCB | 18550 | 18550 |
| Unerg Ps | 2270 | 2285 |
| Current Stock Index : 6237.14 | | |
| Previous : 6259.76 | | |
| **Frankfurt** | | |
| AEG | 324.50 | 320.50 |
| Allianz Hold | 2619 | 2629 |
| Altana | 395 | 398 |
| Asko | 805 | 820 |
| BASF | 311 | 307.30 |
| Bayer | 319.80 | 314.50 |
| Bay. Hypo bank | 437 | 428 |
| Bay Vereinsbk | 400 | 398 |
| BBC | 585 | N.Q. |
| BHF Bank | 455 | 440 |
| BMW | 533 | 530 |
| Commerzbank | 302.50 | 296.70 |
| Continental | 335 | 333 |
| Daimler Benz | 833 | 828 |
| Degussa | 493 | 485 |
| Dt Babcock | 219 | 214 |
| Deutsche Bank | 814.50 | 812 |
| Douglas | 798 | 810 |
| Dresdner Bank | 417.80 | 416 |
| Feldmuehle | 527.50 | 525 |
| Harpener | 471.50 | 471.50 |
| Henkel | 553 | 553.80 |
| Hochtief | 1096 | 1060 |
| Hoechst | 307 | 303.10 |
| Hoesch | 315.80 | 309 |
| Holzmann | 1230 | 1180 |
| Horten | 325 | 329 |
| IWKA | 433.50 | 419.50 |
| Kali Salz | 190 | 190.50 |
| Karstadt | 667 | 663 |
| Kaufhof | 644 | 647 |
| KHD | 265.40 | 256.50 |
| Kloeckner Werke | 253 | 255 |
| Krupp Stahl | 277 | 263 |
| Linde | 894 | 893 |
| Lufthansa | 219 | 218.50 |
| MAN | 450 | 447 |
| Mannesmann | 345 | 340.50 |
| Metallgesell | 634 | 642 |
| Muench Rueck | 2520 | 2530 |
| Nixdorf | 263.20 | 277 |
| PKI | 575 | 576 |
| Porsche | 983 | 1001 |
| Preussag | 378 | 386 |
| PWA | 330 | 329.70 |
| RWE | 431 | 430.38 |
| Rheinmetall | 323 | 325 |
| Schering | 767 | 765 |
| SEL | 374 | 375.50 |
| Siemens | 738 | 736 |
| Thyssen | 273.50 | 272 |
| Varta | 399 | 401 |
| Veba | 438.50 | 439 |
| VEW | 221 | 218.50 |
| Viag | 398.50 | 392 |
| Volkswagen | 552.10 | 547 |
| Wella | 701 | 680 |
| DAX Index : 1822.78 | | |
| Previous : 1812.90 | | |
| FAZ Index : 743.46 | | |
| Previous : 738.64 | | |
| **Helsinki** | | |
| Amer A | 145 | 147 |
| Enso-Gutzeit | 38 | 39 |
| K.O.P. | 44.50 | 45 |
| Kymmene | 119 | 118 |
| Nokia | 100 | 90 |
| Pohjola | N.Q. | — |
| Stockmann | 220 | 235 |
| United Papers | 220 | 228 |
| Wartsila | 430 | 440 |
| Unitas index : 663.40 | | |
| Previous : 666.80 | | |
| **Hong Kong** | | |
| Bk East Asia | 17.80 | 17.70 |
| Cathay Pacific | 8 | 8.05 |
| Cavendish Int'l | 3.35 | 3.37 |
| Cheung Kong | 10.10 | 9.95 |
| China Light Pwr | 12.20 | 12.10 |
| Dairy Farm Int'l | 8.10 | 8 |
| Hang Lung Dev | 4.57 | 4.62 |
| Hang Seng Bank | 23.90 | 23.90 |
| Henderson Land | 6.05 | 6.25 |
| HK Air Eng. | 19.30 | 19.40 |
| HK China Gas | 19.30 | 19.50 |
| HK Electric | 7.90 | 7.85 |
| HK Land | 7.35 | 7.50 |
| HK Realty Trust | 4.42 | 4.42 |
| HK Shang Bank | 7.30 | 7.30 |
| HK Shang Htls | 4.45 | 4.58 |
| HK Telecomm | 5.25 | 5.30 |
| HK Ferry | 5.05 | 5.05 |
| Hutch Whampoa | 8.05 | 8.10 |
| Hysan Dev | 1.13 | 1.14 |
| Jardine Math. | 23.50 | 23.40 |
| Jardine Str Hld | 13.70 | 13.80 |
| Kowloon Motor | 6.70 | 6.75 |
| Mandarin Orient | 5.30 | 5.10 |
| Miramar Hotel | 6.70 | 6.70 |
| New World Dev | 9.90 | 10 |
| SHK Props | 12.40 | 12.40 |
| Stelux | 2.77 | 2.82 |
| Swire Pac A | 15.30 | 15.30 |
| Tai Cheung Prps | 3.70 | 3.72 |
| TVE | 0.84 | 0.84 |
| Whart Hold | 6.55 | 6.45 |
| Wing On Co | 6.40 | 6.45 |
| Winsor Ind. | 7.50 | 7.45 |
| World Int'l | 3.15 | 3.17 |
| Hang Seng Index : 2751.68 | | |
| Previous : 2760.80 | | |
| **Johannesburg** | | |
| AECI | 17.25 | 17.50 |
| Altech | 76 | 77 |
| Anglo Amer Corp | 136 | 137 |
| Barlows | 44.50 | 44.50 |
| Blyvoor | 16 | 18.50 |
| Buffels | 78 | 70 |
| GFSA | 165 | 166 |
| Harmony | 45.25 | 46 |
| Highveld Steel | 15 | 15 |
| Kloof | 45 | 46 |
| Nedbank Grp | 11.70 | 11.70 |
| Rusplat | 82 | 82.75 |
| SA Brews | 31.50 | 32 |
| St Helena | 48.50 | 48.50 |
| Sasol | 13.10 | 13.10 |
| Welkom | 35.50 | 35.75 |
| Western Deep | 185 | 191 |
| Composite Stock Index : 3206 | | |
| Previous : 3213 | | |
| **London** | | |
| Allied Lyons | 4.96 | 4.90 |
| Anglo Am Gld | 41.87 | 41.87 |
| AA Corp | N.Q. | 24 |
| Asda-MFI Gp | 1.12 | 1.13 |
| Ass Brit Foods | 3.93 | 3.97 |
| Barclays | 5.77 | 5.64 |
| Bass | 10.08 | 10.28 |
| B.A.T. | 8 | 7.98 |
| Blue Circle | 2.32 | 2.32 |
| BOC Group | 5.27 | 5.37 |
| Boots | 2.70 | 2.67 |
| Bowater | 4.50 | 4.48 |
| BAe | 5.38 | 5.44 |
| BAA | 3.97 | 3.97 |
| Brit Airways | 2.02 | 1.98 |
| British Gas | 2.23 | 2.20 |
| BP | 3.42 | 3.33 |
| British Steel | 1.32 | 1.29 |
| Brit Telecom | 3.02 | 2.95 |
| BTR | 4.38 | 4.35 |
| Burmah Oil | 6.42 | 6.35 |
| Cable Wire | 5.45 | 5.47 |
| Cadbury Sch | 3.60 | 3.50 |
| Charter Cons | 4.57 | 4.52 |
| Comm Union | 4.97 | 4.95 |
| Cookson | 2.53 | 2.59 |
| Courtaulds | 3.82 | 3.86 |
| Dalgety | 3.85 | 3.85 |
| De Beers | 18.75 | 19 |
| Dixons | 1.32 | 1.23 |
| Driefontein | 16 | 16.50 |
| Eurotunnel | 6.18 | 6.18 |
| Fisons | 3.30 | 3.29 |
| Gen Acc F | 11.45 | 11.32 |
| GEC | 2.34 | 2.33 |
| GKN | 4.27 | 4.30 |
| Glaxo | 7.15 | 7.18 |
| Grand Met | 6.19 | 6.18 |
| Gt Univ Stores | 14.28 | 14.38 |
| GRE | 2.55 | 2.54 |
| Guinness | 6.57 | 6.56 |
| Hanson Tr | 2.23 | 2.24 |
| Hawker Sidd | 6.70 | 6.82 |
| ICI | 10.78 | 10.75 |
| Kingfisher | 2.80 | 2.83 |
| Land Sec | 4.95 | 4.93 |
| Legal Gen Grp | 4.15 | 4.15 |
| Lloyds Bank | 2.95 | 2.95 |
| Lonrho | 2.80 | 2.79 |
| Lucas Ind | 6.47 | 6.37 |
| Marks Sp | 2 | 1.97 |
| Maxwell | 2.10 | 2.09 |
| MB Group | 2.14 | 2.14 |
| Midland Bk | 3.87 | 3.85 |
| NatWest | 3.47 | 3.45 |
| Pearson Grp | 7.52 | 7.33 |
| P and O | 6.12 | 6 |
| Pilkington | 2.26 | 2.22 |
| Prudential | 2.27 | 2.26 |
| Racal Elec | 2.17 | 2.18 |
| Randfontein $ | 6.62 | 10 |
| Rank Org | 8.07 | 7.95 |
| Reed Intl | 4.24 | 4.18 |
| Reuters | 9.88 | 10.03 |
| Rolls Royce | 1.80 | 1.78 |
| Royal Dutch | 44.93 | 44.25 |
| RTZ | 5.08 | 5.12 |
| Saatchi | 2.46 | 2.46 |
| Salisbury | 2.67 | 2.62 |
| Sears Holds | 1 | 1.02 |
| Shell | 4.83 | 4.70 |
| Skbeec | 5.49 | 5.49 |
| STC | 2.55 | 2.47 |
| Std Chart Bk | 6 | 5.93 |
| Storehouse | 1.15 | 1.15 |
| Sun Alliance | 3.23 | 3.17 |
| Tate and Lyle | 3.07 | 3.09 |
| Tesco | 1.99 | 1.98 |
| Thorn EMI | 7.87 | 7.92 |
| T.I. Group | 4.25 | 4.28 |
| Trafalgar Hse | 3.42 | 3.40 |
| THF | 2.93 | 2.91 |
| Ultramar | 3.80 | 3.73 |
| Unilever | 6.70 | 6.69 |
| Utd Biscuits | 3.42 | 3.42 |
| Vickers | 2.14 | 2.11 |
| War Loan 3½ | 34.56 | 34.63 |
| Wellcome | 7.15 | 7.24 |
| Woolworth | 56.80 | 57.30 |
| F.T. 30 Index : 1864 | | |
| Previous : 1853 | | |
| F.T.S.E. 100 Index : 2337.30 | | |
| Previous : 2327 | | |
| **Madrid** | | |
| Bco. Bilbao/Viz. | 791 | 787 |
| Banco Central | 915 | 915 |
| Bco. Santander | 5310 | 5310 |
| Banesto | 4220 | 4240 |
| Dragados | 2510 | 2560 |
| Iberduero | 646 | 648 |
| Telefonica | 842 | 864 |
| S.E. General Index : 278.92 | | |
| Previous : 279.49 | | |
| **Milan** | | |
| Banca Comm | 5061 | 4999 |
| Bastogi | 357 | 355 |
| Cigahotels | 5173 | 5050 |
| CIR | 4990 | 4945 |
| Cred Ital | 2710 | 2671 |
| Enimont | 1555 | 1528 |
| Eridania | 8410 | 8318 |
| Ferruzzi Fin. | 3040 | 3000 |
| Ferruzzi Agr. | 2515 | 2450 |
| Fiat SPA | 10470 | 10410 |
| Generali | 40700 | 40375 |
| IFI | 25300 | 25150 |
| Italcem | 12450 | 12430 |
| Italgas | 3050 | 3010 |
| Italmobiliare | 1990a | 1981a |
| Mediobanca | 18750 | 18600 |
| Montedison | 1975 | 1965 |
| NBA | 2100 | 2100 |
| Olivetti | 7200 | 7120 |
| Pirelli | 2725 | 2900 |
| RAS | 26450 | 26150 |
| Rinascente | 7600 | 7570 |
| Saipem | 3185 | 3175 |
| SIP | 3220 | 3250 |
| SME | 3870 | 3860 |
| Snia | 2765 | 2720 |
| Standa | 33080 | 33080 |
| Stet | 4920 | 4890 |
| Toro Assi Risp | 21450 | 21450 |
| a: x 100. | | |
| MIB current index : 994 | | |
| Previous : 990 | | |
| **Montreal** | | |
| Alcan Aluminum | 25 | 24¼ |
| Bank Montreal | 29⅜ | 29⅛ |
| Bell Canada | 43¼ | 43 |
| Bombardier A | 15½ | 15½ |
| Bombardier B | 15¼ | 15⅜ |
| Cambior | 18 | 19 |
| Cascades | 4⅞ | 4.85 |
| CB Pak | N.Q. | — |
| Dominion Text A | 15 | 14⅝ |
| Donohue | N.Q. | 10 |
| MacMillan Bl | 17¾ | 17⅝ |
| Memotec | 9¼ | 9 |
| Natl Bk Canada | 11 | 11 |
| Noverco | 13 | 13⅜ |
| Power Corp. | 15⅝ | 15⅝ |
| Provigo | 8⅝ | 9⅛ |
| Quebec Tel | 15½ | 15⅝ |
| Quebecor A | 14¼ | 14½ |
| Quebecor B | 11⅞ | 12 |
| Videotron | 13⅜ | 14⅛ |
| Industrials Index : 1687.24 | | |
| Previous : 1579.66 | | |
| **Paris** | | |
| Accor | 840 | 861 |
| Air Liquide | 647 | 651 |
| Avions Dassault | 603 | 615 |
| Bancaire (Cie) | 577 | 585 |
| BIC | 749 | 746 |
| Bongrain | 2951 | 2950 |
| Bouygues | 581 | 582 |
| BSN-GD | 707 | 705 |
| Carrefour | 3281 | 3250 |
| Cerus | 415.90 | 417.50 |
| C.G.E. | 540 | 536 |
| Chargeurs | 1335 | 1358 |
| Club Med | 705 | 710 |
| Dumez | 837 | 855 |
| Elf-Aquitaine | 546 | 547 |
| Europe 1 | 1212 | 1249 |
| Gen. Eaux | 2060 | 2023 |
| Hachette | 386 | 383.50 |
| Havas | 1425 | 1419 |
| Imetal | 288.90 | 291 |
| Lafarge Coppee | 342.30 | 345 |
| Legrand | 3355 | 3410 |
| Oreal (L') | 4722 | 4692 |
| L.V.M.H. | 4801 | 4839 |
| Matra | 368.90 | 375 |
| Merlin Gerin | 4915 | 4935 |
| Michelin | 157 | 160.10 |
| Moulinex | 131.20 | 132.90 |
| Occidentale | 788 | 792 |
| Paribas | 703 | 693 |
| Pernod-Ricard | 1381 | 1392 |
| Perrier | 1722 | 1740 |
| Peugeot | 749 | 755 |
| Printemps (Au) | 672 | 679 |
| Radiotechnique | 595 | 610 |
| Raff. St. Louis | 1580 | 1558 |
| Redoute (La) | 3375 | 3533 |
| Roussel Uclaf | 2210 | 2224 |
| Saint Gobain | 582 | 589 |
| Sanofi | 1044 | 1035 |
| Skis Rossignol | 1040 | 1034 |
| Societ. Generale | 523 | 524 |
| Suez | 452.20 | 451.70 |
| Telemecanique | 4450 | 4445 |
| Thomson-CSF | 132.50 | 135.10 |
| Total | 544 | 541 |
| Valeo | 743 | 736 |
| CAC 40 Index : 1882.88 | | |
| Previous : 1892.03 | | |
| **Sao Paulo** | | |
| Banco do Brasil | 9.40 | 9.45 |
| Bradesco | 0.88 | 0.72 |
| Brahma | 1.29 | 1.25 |
| Paranapanema | 0.62 | 0.66 |
| Petrobras | 61 | 59 |
| Vale Rio Doce | 157 | 160 |
| Varig | 12 | 12 |
| Bovespa index : 10867 | | |
| Previous : 10785 | | |
| **Singapore** | | |
| Cerebos | 6 | 6.05 |
| City Dev. | 3.58 | 3.60 |
| DBS | 12.30 | 11.90 |
| Fraser Neave | 8.95 | 8.95 |
| Genting | 8.45 | 8.40 |
| Harrisons Plant | 1.45 | 1.46 |
| Haw Par | 2.94 | 2.98 |
| Hume | 2.97 | 2.85 |
| Inchcape | 5.75 | 5.75 |
| Keppel | 4.95 | 4.90 |
| KL Kepong | 3.18 | 3.20 |
| Lum Chang | 1.72 | 1.74 |
| Malayan Banking | 9.15 | 9 |
| OCBC | 9.35 | 9.45 |
| OUB | 4.58 | 4.60 |
| OUE | 9.05 | 8.95 |
| Sembawang | 6.70 | 6.55 |
| Shangrila | 9.50 | 9.40 |
| Sime Darby | 2.93 | 2.90 |
| SIA | 14.70 | 14.90 |
| S'pore Land | 14.60 | 14.50 |
| S'pore Press | 8.20 | 8.10 |
| Sing Steamship | 3.56 | 3.28 |
| Straits Trading | 3.60 | 3.48 |
| UOB | 5.75 | 5.70 |
| United Overseas | 2.15 | 2.14 |
| Straits Times Ind. : 1515.81 | | |
| Previous : 1506.26 | | |
| **Stockholm** | | |
| AGA | 260 | 260 |
| Alfa Laval | 215 | 220 |
| Asea | 745 | 735 |
| Astra -A | 410 | 395 |
| Atlas Copco | 310 | 305 |
| Electrolux B | 282 | 282 |
| Ericsson | 948 | 948 |
| Esselte-A | 230 | 225 |
| Handelsbanken | 119 | 118 |
| Pharmacia-A | 224 | 224 |
| Norsk Hydro | 178 | 171 |
| Saab-Scania | 140 | 141 |
| Sandvik | 295 | 295 |
| SCA-A | 115 | 115 |
| S-E. Banken | 83.50 | 83 |
| Skandia Int-A | 250 | 250 |
| Skanska | 565 | 555 |
| SKF | 160 | 158 |
| Stora | 290 | 291 |
| Volvo | 405 | 400 |
| Affaersvaerlden : 1214.40 | | |
| Previous : 1207.40 | | |
| **Sydney** | | |
| ANZ | 6.24 | 6.34 |
| BHP | 9.90 | 10.05 |
| Bond | N.Q. | — |
| Boral | 3.97 | 4.01 |
| Bougainville | 1.36 | 1.35 |
| Coles Myer | 7.84 | 8.06 |
| Comalco | 3.92 | 3.92 |
| CRA | 11.95 | 12.10 |
| CSR | 5.68 | 5.70 |
| Dunlop | 5.30 | 5.46 |
| Elders IXL | 2.37 | 2.37 |
| ICI Australia | 5.92 | 5.90 |
| Magellan | 1.65 | 1.65 |
| MIM | 2.15 | 2.19 |
| Nat Aust Bank | 6.76 | 6.80 |
| News Corp | 12.15 | 12.50 |
| N Broken Hill | 2.45 | 2.74 |
| Poseidon | 3.10 | 3.12 |
| QCT Resources | N.Q. | 1.52 |
| Santos | 4.32 | 4.34 |
| TNT | 2.70 | 2.74 |
| Western Mining | 6.30 | 6.44 |
| Westpac Banking | 5.96 | 6.06 |
| Woodside | 3.04 | 3.04 |
| All ordinaries Index : 1677.80 | | |
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| **Tokyo** | | |
| Akai Electr | 956 | 955 |
| Asahi Chemical | 1170 | 1180 |
| Asahi Glass | 2200 | 2190 |
| Bank of Tokyo | 1850 | 1850 |
| Bridgestone | 1610 | 1630 |
| Canon | 1830 | 1820 |
| Casio | 1570 | 1590 |
| C.Itoh | 1130 | 1110 |
| Dai Nippon Print | 2370 | 2350 |
| Daiwa House | 2580 | 2520 |
| Daiwa Securities | 2110 | 2120 |
| Fanuc | 8170 | 8160 |
| Fuji Bank | 3420 | 3400 |
| Fuji Photo | 4400 | 4450 |
| Fujitsu | 1590 | 1590 |
| Hitachi | 1580 | 1580 |
| Hitachi Cable | 1270 | 1270 |
| Honda | 1810 | 1830 |
| Ito Yokado | 4350 | 4340 |
| Japan Air Lines | 16900 | 17100 |
| Kajima | 2080 | 2080 |
| Kansai Power | 4530 | 4580 |
| Kawasaki Steel | 821 | 835 |
| Kirin Brewery | 1970 | 1950 |
| Komatsu | 1220 | 1240 |
| Kubota | 1140 | 1140 |
| Kyocera | 6400 | 6310 |
| Matsu Elec Inds | 2290 | 2280 |
| Matsu Elec Wks | 2120 | 2140 |
| Mitsubishi Bk | 2940 | 2930 |
| Mitsubishi Kasei | 997 | 1000 |
| Mitsubishi Elec | 1100 | 1090 |
| Mitsubishi Hev | 1100 | 1120 |
| Mitsubishi Corp | 1730 | 1760 |
| Mitsui and Co | 1170 | 1190 |
| Mitsukoshi | 2420 | 2400 |
| Mitsumi | 1210 | 1230 |
| NEC | 1980 | 2010 |
| NGK Insulators | 1670 | 1660 |
| Nikko Securities | 1770 | 1760 |
| Nippon Kogaku | 1660 | 1670 |
| Nippon Oil | 1718 | 1680 |
| Nippon Steel | 713 | 715 |
| Nippon Yusen | 1060 | 1070 |
| Nissan | 1370 | 1380 |
| Nomura Sec. | 3240 | 3200 |
| NTT (SF) | 14306 | 14249 |
| Olympus Optical | 1590 | 1610 |
| Pioneer | 3780 | 3750 |
| Ricoh | 1290 | 1280 |
| Sanyo Elec | 978 | 986 |
| Sharp | 1870 | 1880 |
| Shimazu | 1490 | 1470 |
| Shinetsu Chem | 1790 | 1780 |
| Sony | 8210 | 8310 |
| Sumitomo Bk | 3430 | 3530 |
| Sumitomo Chem | 875 | 875 |
| Sumi Marine | 1450 | 1430 |
| Sumitomo Metal | 786 | 795 |
| Taisei Corp | 1470 | 1500 |
| Taisho Marine | 1470 | 1450 |
| Takeda Chem | 2400 | 2350 |
| TDK | 6190 | 6170 |
| Teijin | 925 | 923 |
| Tokyo Marine | 2020 | 2020 |
| Tokyo Elec Pw | 5700 | 5710 |
| Toppan Printing | 2220 | 2190 |
| Toray Ind. | 975 | 970 |
| Toshiba | 1200 | 1200 |
| Toyota | 2490 | 2480 |
| Yamaichi Sec. | 1750 | 1740 |
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| New Index : 2737 | | |
| Previous : 2741 | | |
| **Toronto** | | |
| Abitibi Price | 14 | 13⅞ |
| Agnico Eagle | 11⅛ | 11⅜ |
| Air Canada | 10⅛ | 9⅞ |
| Alberta Energy | 19¼ | 19¼ |
| Am Barrick Res | [illegible] | [illegible] |
| BCE | [illegible] | [illegible] |
| BCED | [illegible] | [illegible] |
| Bk Nova Scotia | [illegible] | [illegible] |
| BC Gas | [illegible] | [illegible] |
| BC Phone | [illegible] | [illegible] |
| BP Canada | [illegible] | [illegible] |
| Bramalea | [illegible] | [illegible] |
| Brunswick | [illegible] | [illegible] |
| CAE | [illegible] | [illegible] |
| Campeau | [illegible] | [illegible] |
| CIBC | [illegible] | [illegible] |
| Canadian Pacific | [illegible] | [illegible] |
| Can Packers | [illegible] | [illegible] |
| Can Tire A | [illegible] | [illegible] |
| Cantor | [illegible] | [illegible] |
| Cara | [illegible] | [illegible] |
| CCL Ind B | [illegible] | [illegible] |
| Cineplex | [illegible] | [illegible] |
| Cominco | [illegible] | [illegible] |
| Conwest Expl A | [illegible] | [illegible] |
| Corona A | [illegible] | [illegible] |
| Denison Min B | [illegible] | [illegible] |
| Dickenson Min A | [illegible] | [illegible] |
| Dofasco | [illegible] | [illegible] |
| Dylex A | N.Q. | [illegible] |
| Echo Bay Mines | [illegible] | [illegible] |
| Equity Silver A | 3.95 | [illegible] |
| FCA Intl | N.Q. | [illegible] |
| Fed Ind A | 12⅛ | [illegible] |
| Fletcher Chall A | 15⅝ | [illegible] |
| FPI | 6⅛ | [illegible] |
| GoldCorp | 6⅞ | [illegible] |
| Grafton Group | N.Q. | [illegible] |
| Gulf Cda Res | 15⅛ | [illegible] |
| Hees Intl | 27 | [illegible] |
| Hemlo Gld Mines | 19⅛ | [illegible] |
| Hollinger | 11½ | [illegible] |
| Horsham | 10⅝ | [illegible] |
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| Imasco | 38 | [illegible] |
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| Interhome | 45 | [illegible] |
| Jannock | 18⅛ | [illegible] |
| Labatt | 21⅞ | [illegible] |
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| Magna Intl A | 6¼ | [illegible] |
| Maritime | 18 | [illegible] |
| Mark Res | 10⅝ | [illegible] |
| MacLean Hunt X | 17⅛ | [illegible] |
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| Noranda | N.Q. | [illegible] |
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| Oshawa | 28⅝ | [illegible] |
| Pagurin A | 6 | [illegible] |
| Placer Dome | 23⅜ | [illegible] |
| Poco Petroleum | 7½ | [illegible] |
| PWA Corp | 14⅝ | [illegible] |
| Quebec Sturgeon | 1.51 | [illegible] |
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| Rogers B | 8⅞ | [illegible] |
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| Royal Bank Can | 44 | [illegible] |
| Royal TrustCo | 15⅛ | [illegible] |
| Sceptre Res | 4.20 | [illegible] |
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| Seagram | 88⅝ | [illegible] |
| Sears Can | 11⅛ | [illegible] |
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| TransCda Pipe | 16⅝ | [illegible] |
| Triton Finl A | 17⅝ | [illegible] |
| Trimac | 6⅝ | [illegible] |
| Trizec A | 22⅛ | [illegible] |
| Turbo Resources | 0.47 | [illegible] |
| Unicorp A | 4.30 | [illegible] |
| Woodward's Ltd | 2.15 | [illegible] |
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| Alusuisse | 1335 | [illegible] |
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| Ciba Geigy | 3415 | [illegible] |
| CS Holding | 2430 | [illegible] |
| Elektrow | 3050 | [illegible] |
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| Interdiscount | 4000 | [illegible] |
| Jacobs Suchard | 6420 | [illegible] |
| Jelmoli | 2075 | [illegible] |
| Landis Gyr | 1570 | [illegible] |
| Moevenpick | 5250 | [illegible] |
| Nestle | 8745 | [illegible] |
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| Pargesa Hld | 1775 | [illegible] |
| Roche Holding B | 3590 | [illegible] |
| Sandoz | 11900 | [illegible] |
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| Swiss Reinsur | 4130 | [illegible] |
| Swiss Volksbank | 1715 | [illegible] |
| Union Bank | 3850 | [illegible] |
| Winterthur | 4325 | [illegible] |
| Zurich Ins | 1910 | [illegible] |
| SBS Index : 641.36 | | |
| Previous : 637.50 | | |

# Latin American Woes in 1989

*Compiled by Our Staff From Dispatches*

UNITED NATIONS, New York — Rising inflation and stagnant economic conditions plagued Latin America in 1989, marking the eighth consecutive year of recession in the region, according to a UN commission.

Gert Rosenthal, executive secretary of the UN Economic Commission for Latin America and the Caribbean, said that "1989 was again a very bad year for most Latin American countries."

"For the region as a whole the crisis of the 1980s is as bad as ever," said Mr. Rosenthal. "As the decade draws to its close, the average per capita product is more than 8 percent below that of 1980, and the countries have had to bear huge social costs."

A report by the commission released Tuesday showed that hyperinflation was recorded in four Latin American countries in 1989. The annual inflation rate was 3,700 percent in Argentina, 3,000 percent in Peru and nearly 1,500 percent in Brazil.

Nicaragua, where inflation had soared to an annual rate of 34,000 percent by the end of 1988, recorded a rate of 3,500 percent in 1989, the report said.

Mr. Rosenthal said Mexico lowered its inflation rate dramatically during the year. "But still, on the average, rates of inflation have been going higher and higher in the second half of the '80s," he added.

He said that only a small group of Latin American countries, including Mexico, Chile, Bolivia, Uruguay, Colombia and possibly Venezuela, were ready for a period of extended growth.

Exports from Latin American countries grew considerably in 1989, Mr. Rosenthal noted, allowing the region to post a trade surplus of almost $30 billion. But that favorable development was offset by the heavy debt burden facing countries in the region, he added.

"In 1989 the bill for debt-servicing was $38 billion. And in 1989 Latin America as a whole again was a net exporter of financial resources, this time to the tune of $25 billion," Mr. Rosenthal said.

He said that 1989 "was the eighth consecutive year that the region had this abnormal situation of developing countries being net exporters of financial resources."

The commission supports measures to reduce debt payments for countries in the region facing dire economic conditions.

"We believe that legislation can be brought about in the developed countries to change rules and procedures which would make debt reduction more attractive to the banks, and it would make them more ready and willing to go the debt reduction route," Mr. Rosenthal said.

"We are in favor of some kind of multilateral debt reduction facilities, be it the International Monetary Fund or the World Bank or both," he said. "It's not an original idea but an idea whose time has come." *(AP, Reuters)*

# *News Corp. Stock Hurt By Reports Of Forecast*

*Compiled by Our Staff From Dispatches*

SYDNEY — Shares in Rupert Murdoch's News Corp. were hit hard on the Australian Stock Exchange on Wednesday after reports that Morgan Stanley International Inc. had downgraded profit forecasts for the concern.

News Corp. shares, pounded on Wall Street and in London, slumped 45 Australian cents at the start of Sydney trading to 12.05 Australian dollars ($9.46), before closing at 12.10 dollars.

Morgan Stanley reportedly told institutional investors in New York that it had cut 100 million dollars from its earnings projections for News Corp. in the current financial year, and put a sell recommendation on the group's stock.

The merchant banker apparently revised its figures to reflect larger-than-expected losses by the Sky TV satellite broadcasting venture in Britain, higher interest costs and the damage inflicted by the long-running pilots' dispute on Ansett Airlines, an Australian domestic carrier half-owned by News Corp.

Morgan Stanley's office in Melbourne said it was unable to comment on the bank's apparent change of heart and the downgrading of annual profit forecast to 255 million dollars from 355 million dollars.

"We've been trying to contact New York about this, but at this stage we don't know anything more," a spokesman said.

The merchant banker only months ago was touting the stock, saying Mr. Murdoch was a man who could make money for investors prepared to accept risks.

Analysts said many brokers had made similar changes to their projections for News Corp.'s half-year earnings, due to be announced in mid-February.

An analyst at Baring Securities, Viktor Shvets, said that as a result, News Corp. shares were vulnerable.

Mr. Shvets forecast that News would announce a six-month net profit of 135 million dollars to 140 million dollars, down from 260.3 million dollars, and a full-year result of 270 million to 280 million dollars, compared with 496.50 million.

Other analysts had similar estimates.

Brokers in Sydney attributed a rise in News Corp. from 12.10 dollars to more than 15.00 dollars to the Morgan Stanley report.

News Corp. is to release its interim results Feb. 15. *(AFP, Reuters)*

# *A Lot More Interest: Yen Warrants Gain Favor*

*Compiled by Our Staff From Dispatches*

TOKYO — Japanese companies are starting to turn to the domestic yen warrant bond market for funds, attracted by favorable interest-rate spreads, according to brokers.

The recent narrowing in the interest-rate differential between the United States and Japan has made it more attractive to raise funds here than to issue Eurodollar warrant bonds and pay the cost of swapping the proceeds back to yen, the brokers said.

That is a big change from the pattern of the past few years, when Japanese companies rushed to issue bonds abroad to take advantage of cheaper funding costs.

"Companies have more flexibility in choosing how to raise funds," said Hirofumi Saito, general manager for underwriting at Nikko Securities, "because the costs in each market have grown more competitive."

Nippon Steel Corp. and Sony Corp. are among companies to have announced plans this month to issue yen warrant bonds.

"We chose yen warrant bonds because we thought that was the cheapest way to raise funds at that time," said a spokesman for Nippon Steel, which announced in early January that it would issue 100 billion yen ($690 million) in four-year warrant bonds.

Nippon Steel had issued warrant bonds worth $600 million in the Euromarket in July 1988, and $1.2 billion in February 1989.

"As to our future plans, we will decide on which market to use based on costs," the Nippon Steel spokesman said.

In 1989, only nine Japanese companies issued yen warrant bonds, worth 385 billion yen, while 202 firms issued Eurobonds, worth $62.34 billion.

Brokers said the number and the dollar amount of Euromarket issues may fall this year. That is because companies with a large capital base, such as steelmakers and trading firms, raised substantial funds last year, and because of a shift to the domestic market.

"The amount raised in Japan may rise to three to four trillion yen this year," said an official at a major local brokerage house.

Deregulation of the yen warrant bond primary market last year has also contributed to the growing popularity of domestic issues, brokers said. The Finance Ministry allowed companies to detach yen warrants from the bonds, and to issue four-year warrant bonds in April 1989.

Daiei Inc. was the first Japanese company to issued yen warrant bonds in more than two years when it announced a four-year issue last June.

Some warrant market sources here said that the Finance Ministry's recent move to try to tighten regulation of both the primary and secondary Eurodollar warrant markets may also be encouraging issuers to shift to yen warrant bonds.

The Finance Ministry wants companies to list their Eurodollar warrants on the Tokyo Stock Exchange in an attempt to increase trading transparency to protect investors.

Brokers, especially from overseas, oppose the listing because they fear the business might shift to Tokyo from London, where underwriting Japanese equity-warrant bonds has become big and very profitable business. Last year, Japanese companies issued some $63 billion of such debt in the international market, more than double the $27 billion issued in 1988.

The underwriting fees alone last year amounted to $1.6 billion. As important are the trading fees banks earn. The warrants are detachable from the bonds and trade separately as options to buy stock of the company at a fixed price any time during the life of the warrant — usually three to four years.

With fierce competition in the international capital market having driven underwriting fees to a bare minimum on traditional straight-bond business, the fees and commissions earned on the equity-warrant bonds have become a major source of income.

Companies will soon be required to report to the ministry when they issue Eurodollar warrant bonds.

Reports will be required on the day they issue the bonds and again after terms, including the selling prices of warrants detached from the bonds, are finalized.

*(Reuters, IHT)*

# *U.S. Airline Forms Venture In Thailand*

*Reuters*

PHOENIX, Arizona — StatesWest Airlines Inc. said on Wednesday that it planned to form an airline joint venture based in Bangkok.

It said the venture would provide scheduled and charter service in Thailand and neighboring countries, subject to government approvals.

StatesWest said its partners are Pongsak Sampawakoop of Bangkok, managing director of Business International Co., a diversified real estate company; Thidej Maithai, a managing director of Thai Flying Service Co., which holds one of the two largest private aviation licences in Thailand; Laurent Desmazières, a managing director of Asia Voyages Group, a French-based international tour operator; and Norman Birkenstock, chairman and president of Pacific Gate Corp., a consulting firm.

Stateswest will own 25 percent of the venture.

The joint venture partners as a group will be granted an option to purchase up to 10 percent of StatesWest's common stock from the company at $2.50 a share. The group has expressed interest in acquiring up to 5 percent of StatesWest stock in the open market.

# Eastern Shareholders Urge Sale of Airline

*The Associated Press*

NEW YORK — Representatives of Eastern Airlines' preferred shareholders suggested the liquidation or outright sale of the carrier, saying they had lost faith in management because it was "cannibalizing" the airline.

In papers filed Tuesday in U.S. Bankruptcy Court here, the shareholders committee said that Eastern management can not longer control the company.

"They are simply unable to make the airline work, nor are they able to accurately forecast its future — even for a few weeks at a time," the committee said.

The committee urged U.S. Bankruptcy Judge Burton R. Lifland to advance Eastern only enough money to keep it operating.

The move by preferred stockholders comes after Eastern last week filed a new reorganization plan with the court in which it proposed to pay preferred holders no more than 10 cents on the dollar in the form of new securities. Previously, Eastern had promised to repay its creditors in full.

The shareholders committee said it no longer supported current management and called for "dramatic steps" to salvage value for creditors. It said options included sale of the Miami-based airline or liquidation of its assets.

Eastern has been using money from the sale of assets to keep the airline operating and to fund its reorganization as a much smaller carrier. Proceeds from the asset sales have been placed in special accounts monitored by the bankruptcy court.

The shareholders committee said Eastern requested a total of $250 million from the accounts last July, September and December, and the judge allowed the airline to withdraw $210 million.

Eastern filed a fourth withdrawal request Monday seeking an additional $50 million to fund operating losses through February. The preferred shareholders said a $40 million advance would be enough.

The group accused Eastern of "the cannibalization of the airline in a frenzied attempt to keep it alive."

"The airline is literally living off of the proceeds of its asset sales, funding ever-increasing operating losses and putting its preferred stockholders and unsecured creditors further in the whole," it said.

Under its reorganization plan, Eastern proposed paying preferred stockholders, to whom it owes $1.175 billion, no more than 10 cents on the dollar in new stock.

It called for paying unsecured creditors only 10 percent of their debts in cash.

# No Deal Reached On Trans-Siberia Cable Project

*Reuters*

TOKYO — Nine telecommunications companies reached no significant agreement in talks this week on laying the first trans-Siberian optical-fiber cable, spokesmen for the companies said Wednesday.

The Tokyo session was the eighth round of talks. The companies will meet again in Munich in late March.

A spokeswoman for Japan's Kokusai Denshin Denwa Co. said the firms are divided over cost and potential demand for the Europe-Japan telecommunications link. Establishment of a new joint venture and extension of the cable to Eastern Europe will be discussed at Munich.

Participating in the Tokyo talks were the Soviet Ministry of Posts and Telecommunications; a unit of US West Inc.; Great Northern Telegraph Co. of Denmark; Telecom Denmark; Società Finanziaria Telefonica of Italy; British Telecommunications PLC; Deutsche Bundespost; and Overseas Telecommunications Corp. of Australia. France Telecom and Telefonica de España have asked to join the project but have not been accepted.


FIRST CONVERTIBLE SECURITIES FUND
Société d'Investissement à Capital Variable
Headoffice: 2, boulevard Royal — Luxembourg
R.C. Luxembourg B 24461

The shareholders of FIRST CONVERTIBLE SECURITIES FUND are hereby convened to the
EXTRAORDINARY GENERAL MEETING
of shareholders to be held in Luxembourg on March 9, 1990 at 11 a.m. at 69, rte. d'Esch in Luxembourg, with the following agenda:

1) To approve the merger of FIRST CONVERTIBLE SECURITIES FUND (referred to hereafter as the «Company») with MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS-EQUITY CONVERTIBLE SERIES (hereafter the «Fund»), a «Société d'Investissement à Capital Variable» organized under the laws of Luxembourg, having its registered office at 2, boulevard Royal, Luxembourg, specifically upon hearing

(i) the report of the Board of Directors of the Company explaining and justifying the merger proposal published in the Mémorial (the «Merger Proposal») and deposited with the Chancery of the District Court of Luxembourg; and

(ii) the audit report prescribed by Article 266 of the law on corporations prepared by Deloitte, Haskins & Sells (Luxembourg), acting as joint special auditors to the merger for the Company and the Fund and subject to approval of the Merger Proposal by the shareholders of the Fund, in their extraordinary general meeting:

a) to approve the Merger Proposal,

b) to approve the allocation without charge of shares of category A of the class of Shares corresponding to the Fund's Convertible Securities Portfolio to the shareholders of the Company in exchange for the contribution of all its assets and liabilities as of the date when the merger shall become effective (the «Effective Date»), on the basis of one such new share in exchange of each share of the Company in issue on the Effective Date at an issue price corresponding to the Net Asset Value per Share of the Company on the last Valuation Date thereof preceding the Effective Date,

c) to state that the Company be wound up and that all its shares in issue shall be cancelled.

The following documents shall be at the disposal of the shareholders for inspection and copies thereof may be obtained free of charge at the registered office of the Fund:

1) the Merger Proposal,

2) the current prospectus of the Fund,

3) the reports of the boards of Directors of the Company and of the Fund,

4) a report of Deloitte, Haskins & Sells (Luxembourg) acting as joint special auditors in relation to the merger,

5) the annual accounts at 31st May 1987, 1988 and 1989 of the Company and at 31st May 1988 and 1989 of the Fund, as well as the semi-annual accounts of the Company and of the Fund at 30th November, 1989.

Resolutions on all items of the agenda will require a quorum of at least 50% of the outstanding shares and a majority of 2/3 of the shares present or represented.

The Board of Directors

MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS-EQUITY/CONVERTIBLE SERIES
and FIRST CONVERTIBLE SECURITIES FUND
each a Société d'Investissement à Capital Variable
with its registered office: 2, boulevard Royal, Luxembourg
MERGER PROPOSAL

Whereas:

— MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS-EQUITY/CONVERTIBLE SERIES (the «Company») and FIRST CONVERTIBLE SECURITIES FUND (the «Merged Entity») (both also hereafter together referred to as the «Funds») are each a Société d'Investissement à Capital Variable under the laws of Luxembourg with their registered office at 2, boulevard Royal, Luxembourg and have each applied for registration as an undertaking for collective investment in transferable securities in the Grand-Duchy of Luxembourg;

— the Funds have each appointed as their Investment Adviser Merrill Lynch Asset Management Inc., of Princeton, New Jersey, U.S.A. and have each appointed Banque Internationale à Luxembourg S.A. as their agent in Luxembourg for their central administration, registrar and transfer agency;

— the Company is an umbrella SICAV which has a corporate capital represented by Shares of category A and of category B of the different classes (the «Shares») corresponding each to a portfolio of assets (a «Portfolio»);

The Shares of category B are subject to an annual distribution charge and to a contingent deferred sales charge, whereas the Shares of category A are not subject to either of such charges;

— the investment objective and policies and the dividend policy of the MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS-EQUITY/CONVERTIBLE SERIES-CONVERTIBLE SECURITIES PORTFOLIO (hereafter the «Convertible Securities Portfolio») are substantially the same as those of the Merged Entity;

— the Boards of Directors of the Company and of the Merged Entity have approved a proposal to merge FIRST CONVERTIBLE SECURITIES FUND into the Company's Convertible Securities Portfolio, with the purpose of offering an increased flexibility to their respective shareholders for the conversion of their new category A Shares of the class corresponding to the relevant Portfolio into category A Shares of the class or classes corresponding to the other Portfolios of the Company, as well as for the purpose of a potential saving of administration costs;

— the Company intends to issue such number of category A Shares relating to its Convertible Securities Portfolio, in the course of a formal merger, to the shareholders of the Merged Entity as there shall be shares of the Merged Entity outstanding at the Effective Date, so as to allow the exchange of one former share of the Merged Entity against one such new share issued at the Net Asset Value per share of the Merged Entity;

— Deloitte, Haskins & Sells (Luxembourg) of 38-40, rue Zithe, Luxembourg, are appointed as joint special auditors of the Company and of the Merged Entity for the purpose of their formal merger.

Now therefore, it is proposed that:

1) On the date of effect as shall be decided by the extraordinary general meeting of each of the Funds upon their shareholders approving the merger (the «Effective Date») anticipated to be on or around March 9, 1990, the Merged Entity, pursuant to Article 257ff. of the Luxembourg law of 10th August, 1915 on commercial companies, as amended, shall contribute all its assets and liabilities (the «Assets») to the Convertible Securities Portfolio.

2) In exchange of the contribution of the Assets, the Company shall issue to the shareholders of the Merged Entity new shares of category A of the Convertible Securities Portfolio in such number as there shall be shares of the Merged Entity issued and outstanding on the Effective Date in respect of the Merged Entity; the new shares shall be issued at the Net Asset Value per share of the Merged Entity as at the last Valuation Date thereof preceeding the Effective Date.

3) As a result, the Merged Entity shall be wound up and all its shares in issue be cancelled;

4) Share certificates relating to the relevant new Shares of the Company shall be delivered by the Company's transfer agent Banque Internationale à Luxembourg S.A. (the «Transfer Agent») to those shareholders of the Merged Entity as shall so request in writing, within 30 days from the Effective Date; the Transfer Agent shall otherwise send to each shareholder registered in the share-register of the Merged Entity as of the Effective Date a share-confirmation in respect of its new shareholding in the Company, which shall evidence his pro-rata entitlement to the relevant number of new shares and fractions thereof, if any, of category A of the Company in the Convertible Securities Portfolio, based on the former number of shares in the Merged Entity held by such person.

5) As from the Effective Date, all assets and liabilities of the Merged Entity shall be deemed transferred to the Company;

6) The new category A Shares of the Company's Convertible Securities Portfolio shall be equal in all respects with those issued against cash thereafter, namely as to their entitlement to dividends (if any) for the current year.

The Merger Proposal, and the current prospectus of the Company are available at the registered office of the Funds, 2, boulevard Royal, Luxembourg from February 1, 1990 and copies thereof may be obtained on request from the Transfer Agent Banque Internationale à Luxembourg, Service OPC, 2, boulevard Royal, Luxembourg, tél.: 4590-3261, fax: 4590-3331.

Approved by the Boards of Directors of
MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS — EQUITY/CONVERTIBLE SERIES and of FIRST CONVERTIBLE SECURITIES FUND,
as of 16th January, 1990.
MERRILL LYNCH MULTINATIONAL INVESTMENT PORTFOLIOS — EQUITY/CONVERTIBLE SERIES
by a Director
FIRST CONVERTIBLE SECURITIES FUND
by a Director


# SHEARSON: *Cohen's Fall Shows Wall Street Woes*

(Continued from first finance page)

$200 million in fees in the process.

Retribution came from the Street itself, when Moody's Investor's Service announced in October it was considering downgrading Shearson's credit ratings. Shearson had also suffered from an investment in MCorp, a shaky Texas bank, and from an overstatement of the 1988 earnings of Boston Co., a subsidiary.

Shearson last week reported 1989 profit of $110 million, up from $96 million a year earlier, but a third of the profit came from the sale of a money management unit. Investment banking revenue, which includes merger advising and securities underwriting, was down 27 percent.

Through a complex series of financial maneuvers, American Express will reduce its stake in Shearson from 70 to 45 percent. This will permit the parent company to carry Shearson's more shaky assets separately on its balance sheet and thus improve it and, hopefully, its sagging stock price.

Shearson also has announced plans to sell 21 million shares of common stock for $12 a share directly to current shareholders. Wall Street analysts have speculated that the sale might be postponed or canceled.

Shearson is only the latest Wall Street firm being forced to pull back as the market falls and investors hold back. Wall Street has been through boom-and-bust before, of course, but this time the bust is more spectacular because of the high level of consolidation.

In 1973, the industry's capital totaled $3.9 billion, and the top 10 firms accounted for one-third of it. Last year capital had increased about tenfold to $39.3 billion, and the top 10 held almost two-thirds.

But it is the giants that are cutting back. Shearson, third-largest after Salomon Brothers Inc. and Merrill Lynch & Co., has already cut more than 11,000 workers from its peak.

Salomon has cut only about 200 employees to its current strength of 8,900, mainly by getting out of municipal bond trading, but the Street's top trading firm has never been in the retail business.

The firm with one of the most intractable problems is Merrill Lynch & Co., because of its big retail network. Retail customers are increasingly turning to mutual funds for their investments rather than retail brokers.

So far Merrill has let go 9,000 workers from its peak of 50,000, and it now is setting out on another round of cost-cutting.

The combination of branch office closings, layoffs, and bonus-cutting produced a $470 million charge against Merrill's fourth-quarter earnings.

Not all of Wall Street's top firms are in trouble. Goldman Sachs & Co. and Morgan Stanley & Co. are healthy, mainly because they have concentrated on what they do best. The mid-sized firm of Donaldson Lufkin & Jenrette expanded cautiously in the last decade and reported record earnings last year.

But some firms have made dramatic cutbacks. Drexel Burnham Lambert Inc., once the Street's strongest investment houses, has cut staff almost in half, from 10,700 to 5,300. The most notable layoff Drexel's junk bond king Michael R. Milken, now facing criminal securities charges.

Analysts agree that Wall Street is suffering from overcapacity built up during the bull market years of the mid-1980s, but few are as honest about it as Mr. Long, who is 61 and has been through this before. "We're all overpaid here for what we do," he said.

# *$23,500 for a Yoshinoya Share*

*Agence France-Presse*

TOKYO — Shares in Yoshinoya D & C Co., a Japanese sukiyaki and rice fast-food and doughnut chain, were quoted Wednesday at 3.37 million yen (about $23,500), the highest price ever reached by a stock listed in Japan.

The share's market price compares with its face value of 50,000 yen when Yoshinoya was first listed on the Tokyo Stock Exchange's over-the-counter section.

The previous highest price for a share, 3.18 million yen, was quoted for Nippon Telegraph & Telephone Corp. in April 1987.

Yoshinoya nearly became bankrupt in 1980, but was rehabilitated with the financial assistance of the Seibu Group, a major Japanese operator of stores. It paid back all of its 12 billion yen in debts in 1987 and has since been showing a profit.

# COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

## Canada

**Canada Packers**

| 3rd Quar. | 1990 | 1989 |
|---|---|---|
| Revenue | 785.10 | 852.90 |
| Profits | 4.55 | 11.53 |
| Per Share | 0.12 | 0.33 |
| 9 Months | 1990 | 1989 |
| Revenue | 2,370. | 2,470. |
| Profit | 12.70 | 24.50 |
| Per Share | 0.35 | 0.67 |

## Japan

**Sanyo Electric**

| Year | 1989 | 1988 |
|---|---|---|
| Revenue | 1,87 | 1,30 T |
| Profits | 16,840. | 6,330. |
| Per Share | 8.75 | 3.73 |

*T: trillion.*

## United States

**Borden**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 1,950. | 1,990. |
| Net Inc. | 99.90 | 93.90 |
| Per Share | 0.67 | 0.63 |
| Year | 1989 | 1988 |
| Revenue | 7,990. | 7,940. |
| Net Inc. | (a)60.5 | 311.90 |
| Per Share | — | 2.11 |

**Coca-Cola**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 2,250. | 2,030. |
| Oper Net | 231.50 | 221.70 |
| Oper Share | 0.67 | 0.64 |
| Year | 1989 | 1988 |
| Revenue | 8,970. | 8,340. |
| Oper Net | 1,190. | 1,090. |
| Oper Share | 3.39 | 2.97 |

**Cons. Freightways**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 991.30 | 717.40 |
| Net Inc. | (a)32.20 | 46.30 |
| Per Share | — | 1.67 |
| Year | 1989 | 1988 |
| Revenue | 3,800. | 2,700. |
| Net Inc. | 19.90 | 113.10 |
| Per Share | 0.33 | 3.00 |

**Control Data**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 523.70 | 933.00 |
| Net Loss | 196.40 | 12.80 |
| Year | 1989 | 1988 |
| Revenue | 2,370. | 3,430. |
| Net Inc. | (a)680.4 | 1.70 |
| Per Share | — | 0.03 |

*a: loss. 1989 nets include pre-tax charges of $214.7 million in quarter and of $663.3 million in year.*

**Premark Int'l**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 690.30 | 651.20 |
| Net Inc. | 18.80 | 31.90 |
| Per Share | 0.54 | 0.91 |
| Year | 1989 | 1988 |
| Revenue | 2,690. | 2,400. |
| Net Inc. | 78.40 | 105.30 |
| Per Share | 2.24 | 3.03 |

*1989 nets include charge of $79.4 million.*

**Scott Paper**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 1,290. | 1,290. |
| Net Inc. | 71.60 | 80.90 |
| Per Share | 0.97 | 1.05 |
| Year | 1989 | 1988 |
| Revenue | 5,070. | 4,720. |
| Net Inc. | 375.50 | 400.90 |
| Per Share | 5.11 | 5.23 |

**Unocal**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 2,850. | 2,670. |
| Net Inc. | (c)26.00 | 141.00 |
| Per Share | — | 0.60 |
| Year | 1989 | 1988 |
| Revenue | 11,260. | 10,150. |
| Net Inc. | 260.00 | 480.00 |
| Per Share | 1.11 | 2.06 |

*c: loss. 1989 quarter net includes loss of $92 million.*

**USX**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 4,500. | 4,400. |
| Net Inc. | 244.00 | 158.00 |
| Per Share | 0.91 | 0.55 |
| Year | 1989 | 1988 |
| Revenue | 18,700. | 16,900. |
| Net Inc. | 965.00 | 756.00 |
| Per Share | 3.53 | 2.82 |

**Warner-Lambert**

| 4th Quar. | 1989 | 1988 |
|---|---|---|
| Revenue | 4,200. | 3,910. |
| Net Inc. | 472.70 | 340.30 |
| Per Share | 4.70 | 5.00 |

*a: loss.*

**PERSONAL INVESTING**
IN THE IHT THE SECOND MONDAY OF EACH MONTH.

# BOJ: *Focus on Land-Price Spiral Concerns Investors*

(Continued from first finance page)

dence in the economy if and when it bursts.

The Bank of Japan said land prices in Tokyo have recently turned upward after falling sharply in late 1988 and early 1989.

Prices in other Japanese cities are also soaring. The National Tax Administration has just increased its assessment of land values in Japan's 47 provincial capitals by 28.7 percent.

The renewed rise in Tokyo property prices coincides with rising housing starts in Japan. December starts were up 0.6 percent from a year earlier after a 3.2 percent rise in November.

The increases, despite the discount-rate rises, worry the central bank, which has been trying to slow growth to keep the economy from overheating, said Soichi Enkyo, a Bank of Tokyo economist.

Authorities so far have attacked the real estate boom by trying to discourage borrowing through higher interest rates and by discouraging lending through administrative guidance.

The Bank of Japan has pressured banks to cut growth in new lending and tighten lending policies, particularly when it comes to real estate. Bankers say they are closely tracking property loans to ensure borrowers are using the money productively, not for speculation. But land prices continue to rise.

The problem is not just easy money. Too many people live on too little land, and rules that discourage more productive usage aggravate the problem.

Some economists are puzzled by the Bank of Japan's concern about soaring real estate prices and say they believe the reasons may be more political than economic.

An economist at Salomon Brothers Asia Ltd., Kermit Schoenholtz, said statistics show that property prices have had relatively little impact on inflation here. Over the last 20 years, urban real estate prices have risen 11 percent per year, while rents have gone up 5.75 percent and consumer prices 5.25 percent.

"The Bank of Japan's fears are probably overdone," Mr. Schoenholtz said.


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(Continued From Page 6)

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# NASDAQ

## Wednesday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

| 12 Month High | Low | Stock | Div | Yld | PE | Sls 100s | High | Low | 4 P.M. | Ch'ge |
|---|---|---|---|---|---|---|---|---|---|---|
| A | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| B-C | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| D-E-F | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| G-H-I | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| J-K-L | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| M-N | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| O-P-Q | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| R-S | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| T-U-V | | | | | | | | | | |
| [illegible] | | | | | | | | | | |
| W-X-Y-Z | | | | | | | | | | |
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Herald Tribune (International)

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## Malaysia Says Co... Action ... End Str...

Compiled by Our Staff ...

## Bangkok Port ...

## Jakarta Fo... 16% Expo...

The Associated ...

JAKARTA — T... Arifin Siregar predi... day that Indonesia's ... rise by 16 percent, to ... in the current fisca... ends in March.

## AM...

Wednesd...


ADVERTISEMENT

## INTERNATIONAL FUNDS

January 31, 1990

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (t) - twice weekly; (m) - monthly

**ABN BANK I.D.M, P.O. Box 449, Amsterdam**
(w) ABN-Aandelenfonds FL 74.77
(w) ABN-Beleggingsfds Ned. FL 56.97
(w) Aldollar $ 21.90
(w) Airento FL 154.40
(w) America-Fund (I.E) $ 154.25
(w) Asian Tigers Fund $ 32.78
(w) Trans Europe Fund FL 79.60
(w) Trans Europe Fund $ 42.80
**AIG FUND MANAGEMENT LTD.**
(d) AIG Amer. Eq. Trust $ 22.07
**AL-MAL BANK LIMITED.**
(w) Investment Units $ 102.65
(w) Currency Units $ 104.01
**ALPHA ASSET MANAGEMENT LTD.**
(m) Alpha Global Fund $ 630.35
(m) Alpha Arbitrage Fund $ 253.93
(m) Alpha Hedge Fund $ 337.60
(w) Helsel Japan Fund $ 100.45
(w) Nicholas-Applegate Aurelio. $ 147.93
**BANK JULIUS BAER & CO. Ltd.**
(d) Baerbond SF 919.00
(d) Conbar SF 1835.00
(d) Equibaer America $ 1696.00
(d) Equibaer Europe SF 1641.80
(d) Equibaer Pacific SF 1570.00
(d) Stockbar SF 2150.00
(d) SFR-BAER SF 953.00
(d) Swissbar SF 2322.00
**BA GATEWAY FUND**
(b) Belgium Fixed Income BFr 9.673
(b) Germany Fixed Income DM 98.95
(b) Netherlands Fixed Income FL 99.63
(b) US Dollar Fixed Income US$ 100.45
(b) Japan Equity US$ 95.15
(b) Pacific Equity US$ 98.56
(b) Intl Portfolio 'A' US$ 102.52
(b) Intl Portfolio 'B' ECU 99.21
**BAII MULTICURRENCY**
(r) Multicurrency US$ $ 1,329.35
(r) Multicurrency Ecu ECU 1,164.46
(r) Multicurrency Yen Y 275,154.00
(r) Multicurrency FFR FF 11,372.39
**BNP INTERFUNDS**
(w) France Capital FF 11,256.80
(w) Interbond Fund $ 198.05
(w) Interbelgian Cap Sicav FB 58,174.00
(w) Intercash DM N.C.
(w) Intercash ECU 1,336.54
(w) Intercash $ N.C.
(w) Intercash FF 14,002.78
(w) Intercash France Sec. FF 12,013.25
(w) Intercash France Cap. FF 11,256.95
(w) Intercurrency US$ $ 11.2312
(w) Intercurrency DM DM 31.5514
(w) Intercurrency Sterling £ 11.3560
(w) Intercurrency Managed $ 11.0597
(w) Inter Optimum F.B BF 69,196.00
(w) Interequity French Offer $ 16.00
(w) Interequity Pacific Offer $ 20.55
(w) Interequity N. Amer. Offer $ 11.44
(w) Interequity European Class $ 10.95
(w) Interequity Australia Cls. $ 9.60
**BANQUE BELGE ASSET MGMT FUND**
Share Distributor Guernsey 0481 26614
(w) Int'l Equity Fund (Sicav) $ 12.24
(w) Int'l Bond Fund (Sicav) $ 10.81
**BANQUE INDOSUEZ**
(w) Asian Growth Fund $ 35.77
(w) Asian Income Fund $ 9.37
(m) Dual Futures Fd. Class A Units $ 101.40
(m) Dual Futures Fd. Class B Units $ 101.14
(w) Diverbond SF 78.65
(w) FIF Internat.Switzerland SF 98.55
(w) FIF-Internat. Div.A $ 19.81
(w) FIF-Internat. Div.B $ 20.61
(w) FIF Internat.America $ 15.78
(w) FIF Internat.Pacific $ 49.89
(w) FIF Internat.Europe $ 30.81
(w) FIF Internat.Japan Y 1,349.00
(w) FIF Int. Nat. Res. A $ 12.04
(w) FIF Int. Nat. Res. B $ 12.04
(w) France International FF 98.76
(w) France Blue chips No 1 FF 127,563.67
(m) Galaxy Futures Fd Ltd $ 102.50
(w) Gestion Selective FF 4,430.45
(w) Indosuez Multibonds Div.A $ 129.74
(w) Indosuez Multibonds Div.B $ 286.85
(w) Indosuez Multibonds US$ $ 106.87
(w) Indosuez Multibonds YEN Y 10,073.00
(w) Indosuez Multibonds DM DM 104.19
(w) IPNA-3 $ 1120.00
(w) Malacca Fund $ 14.94
(w) Manila Fund $ 9.25
(w) The Siam Fund $ 25.48
(w) Pacific Gold Fund $ 14.16
**BANQUE PRIVEE E. DE ROTHSCHILD**
(w) Daiwa Capital E. Fund $ 1051.99
(w) Daiwa LCF Rothschild $ 1047.83
(w) Ecu D'Or ECU 97.69
(w) Hispano Int'l Fund ECU 10.51
(b) Pri-Tech $ 1184.31
(b) Source Sicav $ 11.75
**BANQUE E. DE ROTHSCHILD LUX. SA**
(b) Cursitor BP Fixed Inc.Fund DM105.70
(b) Cursitor BP General Fund DM128.67
(b) Eagle Fund LF 9352.00
(d) Europe Japan Fund $ 70.56
(b) Governm. Sec. Funds* $ 75.07
(w) Leicom $ 2691.44
(b) Opportunities Fund $ 1019.28
(b) Prifirst $ 554.77
(b) Prirop fund DM 52.75
(w) Rente Plus BF 5716.00
(f) Select. Horizon Dev. FF 54642.84
(f) Select. Horizon FF FF 50205.46
(b) Star Conv.Fund FL FL 9566.00
(b) Star Conv.Fund USD $ 100.38
**BANQUE SCANDINAVE EN SUISSE-GENEVA**
(w) BSS Bond Fund SF 78.25
(w) BSS Intelsec. SF 1769.91
(w) BSS Int'l Bond $ 1.255
(w) BSS Int'l Equity $ 2.35
**B.F.A.C.M.**
(w) Ecu Multiplacement ECU 1184.89
**BROADGATE INTERNATIONAL FUND**
(d) $ Money Market $ 12.97
(d) Non-$ Money Market DM 31.29
(d) $ Bond $ 13.36
(d) Non-$ Bond DM 30.11
(d) Global Equity $ 17.50
(d) Global Bond $ 13.93
(d) Global Bond & Equity $ 14.93
(d) Prec. Mets/Min. Secs $ 7.80
**B.W MANAGED ASSETS CY, SICAV**
(t) Global Bond Fund ECU 10.49
(t) European Securities Fund ECU 13.26
(t) French Securities Fund FF 129.06
(t) North American Secu.Fund $ 11.46
(t) Pacific Basin Secu. Fund $ 9.71
**CAISSE CENTRALE DES BANQUES POP.**
(d) Fructilux-Obl.FSE5 FF 5,781.64
(d) Fructilux-Obl.Euro ECU 1,072.77
(w) Fructilux-Act.Fses FF 5,939.63
(w) Fructilux-Act.Euro ECU 1,314.00
(w) Fructilux-Tresorier FF 5,941.22
**CALLANDER**
(w) Callander Emer. Gr. $ 110.02
(w) Callander F-Asset $ 101.33
(w) Callander F-Austria AS 1,635.95
(w) Callander F-Scanish. Ptas 9.344
**CAPITAL INTERNATIONAL**
(w) Capital Int'l Fund $ 93.14
(w) Capital Italia SA $ 39.32
**CCF - GAMMA**
(w) CM Inv.Ser.Fds-Actibonds $ 35.92
(w) CM Inv.Ser.Fds-Glbl.Grth. $ 11.36
(w) CM North Amer Grth $ 9.09
(w) Elysees Court Terme FF 59,338.89
(w) Elysees Long Terme FF 54,308.99
(w) Elysees Monetaire FF 61,724.69
(w) Elysees Multibonds Fd £ 516.42
(w) Elysees Multibonds Fd FL 1000.14
(w) EMF D-Mark (A&B) DM 994.27
(w) EMF Ecu (A & B) ECU 1,035.66
(w) EMF US Dollar (A & B) $ 1,095.74
(w) EMF Yen (A & B) YEN 98,931.00
(d) Europe Prestige Fund A ECU 11.08
(d) Europe Prestige Fund B ECU 11.45
(w) European Smlr Cos. Fd.A ecu 14.03
(w) European Smlr Comp.Fd.B ecu 14.03
**CDC INTERNATIONAL**
(w) CFI Court Terme FF 121,110.71
(w) CFI Long Terme FF1102,609.36
**CIC GROUP**
(d) Oblicic Monetaire FF 11830.42
(d) Oblicic Court Terme FF 11936.92
**CITICORP INVESTMENT BANK (Lux.)**
POB 1373 Luxembourg Tel. 477.95.71
(d) Citicurrencies USD $ 7347.57
(d) Citicurrencies Managed $ 110.88
(d) Citinvest Ecu Income ECU 1325.20
(d) Citinvest Manag. Growth $ 1221.35
(d) CitiMana.Growth Euro. ECU 1055.98
(d) Citinvest Selector $ 911.79
(d) Citinvest Guardian $ $ 1089.78
(d) Citinvest Guard. Euro. ECU 1063.08
(d) Citiport N.A Equity $ 134.33
(d) Citiport Jap. Equity Yen 12,048.00
(d) Citiport UK Equity £ 118.92
(d) Citiport S.Asian Eq. $ 137.15
(d) Citiport Cont.Euro. Eq. ECU 8.00
(d) Citiport N.A.S Bond $ 113.18
(d) Citiport Euro Bond ECU 103.11
(d) Citiport AS.Pac.Bd. YEN 10,766.00
**CITITRUST**
(w) US. $ Equities $ 197.2222
(w) US. $ Bonds $ 12.35340
(w) US. $ Money Market $ 12.93080
(w) Citiland $ 973.18254
(w) Global Equities $ 9.92000
(w) Global Money Market $ 11.95000
(w) Global Bonds $ 11.60000
**CODEVALOR SICAV**
(w) C.Rendement Fr.Suisse SF 1849.06
(w) C.Rendement US$ $ 1439.49
(w) C.Croissance Dollar $ 1594.84
(w) C.Croissance Fr.Suisse SF 2080.80
**COMPASS INTL HOLDINGS Ltd.**
POB 455, Jersey 0534 27267
(w) Bond:Dollar Medium Term $ 10.69
(w) Bond:Ecu Multicurrency ecu 9.99
(w) Equity:United Kingdom £ 10.67
**CREDIT SUISSE (ISSUE PRICES)**
(d) CSF Bonds SF 77.00
(d) Bond Valor Swf SF 94.05
(d) Bond Valor US-DOLLAR $ 121.55
(d) Bond Valor D-mark DM 106.37
(d) Bond Valor Yen Y 10,381.00
(d) Bond Valor £ Sterling £ 90.68
(d) Convert Valor Swf SF 145.14
(d) Convert Valor US-DOLLR $ 176.14
(d) CSF International SF 134.75
(d) Actions Suisses SF 590.50
(d) Europa-Valor SF 229.00
(d) Energie-Valor SF 180.75
(d) Canasec SF 586.00
(d) Ussec SF 700.00
(d) Pacific-Valor SF 202.25
(d) CS Eu. Blue Chips A DM 257.16
(d) CS Eu. Blue Chips B DM 257.16
(d) CS Gold Valor $ 202.91
(d) CS Ecu Bond A ECU 945.03
(d) CS Ecu Bond B ECU 117.63
(d) CS Europa Bond 'A' DM 248.27
(d) CS Europa Bond 'B' DM 248.27
(d) CS Gulden Bond A FL 94.35
(d) CS Gulden Bond B FL 110.69
(d) CS Prime Bond 'A' DM 94.40
(d) CS Prime Bond 'B' DM 99.77
(d) CS Short-T. Bd DM A DM 95.21
(d) CS Short-T. Bd DM B DM 111.98
(d) CS Short-T. Bd $ A $ 97.67
(d) CS Short-T. Bd $ B $ 119.07
(d) CS Money Market Fund $ 1469.42
(d) CS Money Market Fund DM 1265.31
(d) CS Money Market Fund £ 1582.36
(d) CS Money Market Fd Yen Y 118,185.00
(d) CS Tiger Fund $ 559.86
**DIT INVESTMENT FFM**
+(d) Concentra DM 51.21
+(d) Int'l Rentenfond DM 75.99
**DREXEL BURNHAM LAMBERT INC**
Winchester House, 77 London Wall
LONDON EC2 (01 9209797)
(w) Finsbury Group Ltd $ 136.75
(w) Winchester Capital $ 103.21
(w) Winchester Holdings FF 148.02
(w) Winchester Holdings $ 15.48
(w) Winc.Reserv.MultiGvBd. ECU 11.59
(w) Worldwide Securities $ 34.03
(w) Worldwide Special $ 857.44
(m) Winch Fut.Diversified $ 15.55
(m) Winch Fut.Orion Series $ 18.54
(m) Winchester Frontier $ 208.98
(m) Winchester Recovery Ltd $ 74.73
**EBC TRUST CO.(JERSEY) LTD.**
1-3 Sele St.,St. Helier:0534-36331
**EBC AMRO TRADED CURRENCY FUND.**
@(d) Inc.: Bid $ 14.21 Offer $ 14.656
@(d) Cap.: Bid $ 21.29 Offer $ 21.949
**INTERNATIONAL INCOME FUND**
(d) Short Term 'A' (Accum) $ 1.2281
(d) Short Term 'A' (Distr) $ 0.7979
(d) Short Term 'B' (Accum) $ 1.5001
(d) Short Term 'B' (Distr) $ 1.0491
(w) Long Term $ 31.8573*
**ELDERS EUROPE - Guernsey - (0481) 26268**
(m) Elders Eur.Futures Fund $ 9735.84
**ELDERS SECURITIES INC**
W. Rafter, (212) 573-0440
(d) EFF $ 326.44
(d) ESI $ 109.92
(d) ESP $ 160.78
(d) EMR $ 104.86
**ELDERS SWITZ.(038) 25 17 25**
(w) Elders Intl Bid SF 100.00Offer SF 106.00
(w) Elders Aus Bid A$ 90.25Offer A$ 95.75
**EQUIFLEX LIMITED**
(w) Europe A FL 11.39
(w) North America A FL 8.93
(w) UK Equities £ 10.66
(w) UK Small Co. £ 9.33
**EURO PACIFIC ADVISERS Ltd.**
(w) Meteore Y 142,597.00
(w) Pacific Horizon Invt. Fd $ 2202.62
**FOREIGN & COLONIAL MGT. LTD.**
1, Laurence Pounty Hill, EC4, 01-623-4680
(w) Amer.Smaller Cos.Eqty.Pftl. $ 10.28
(w) Oriental Equity Pftl. $ 12.19
(w) European Equity Pftl. $ 14.25
(w) Nordic Equity Pftl. $ 14.18
(w) Amer. Mgl. Equity Pftl. $ 9.04
(d) Western Pac. Equity Pftl. $ 10.69
(d) Mediterranean Equity Pftl. $ 9.47
(d) British Equity Portfolio $ 9.95
(d) U.S.$ Sh. Term Asset Pftl. $ 9.49
(d) Sterling Sh. Term Asset Pftl. £ 10.24
(d) North American Bond Pftl. $ 10.00
(d) Multi-Currency Bond Pftl. $ 10.47
(d) Sterling Bond Portfolio £ 9.74
(d) ECU Bond Portfolio ECU 10.00
**FIDELITY INT'L INV. MGMT (LUX.) S.A.**
(d) New Europe Fund $ 11.53
(d) Fidelity Conv. Sec. Portf. $ 10.03
**FIDELITY POB 670, Hamilton Bermuda**
(m) Fid.Amer.Val.II Com. $ 97.02
(m) Fid.Amer.Val.II Cum.Pref $ 101.50
(m) Fid.Amer. Val.III Com. $ 68.45
(m) Fid.Amer.Val.III Cum.Pret $ 100.54
(d) Fidelity Amer. Assets $ 125.16
(d) Fidelity Australia Fund $ 17.21
(d) Fidelity Dir. Svgs.Tr. $ 170.89
(d) Fidelity Pacific Fund $ 391.14
**FIDELITY INT'L SERVICE (LUX.)**
(d) Balanced Portfolio-hedged $ 10.18
(d) Balanced Portfolio-unhedg $ 10.79
(d) Fidelity Discovery Fund $ 13.21
(d) Fidelity Far East Fund $ 26.25
(d) Fidelity Frontier Fund $ 22.97
(d) Fidelity Global Ind. Fd $ 14.12
(d) Fidelity Global Selct Fd $ 14.36
(d) Fidelity Int'l. Fund $ 15.03
(d) Fidelity Orient Fund $ 12.26
(d) Fidelity Spcl. Growth Fd. $ 41.22
(d) Fidelity World Fund $ 66.40
**FIDELITY INT'L (CI) LTD.**
**FIDELITY PERFORM PORTFOLIOS LTD.**
(d) American Portfolio $ .97
(d) European Portfolio $ 1.91
(d) Japan Portfolio $ 1.55
(d) South East Asian Portfolio $ 1.11
(d) U.K. Portfolio £ 1.16
(d) Intl. Bond Portfolio $ 0.94*
(d) Sterling Liquidity Ptfl. £ 10.25*
(d) Dollar Liquidity Portfolio $ 10.12*
**FINAFUTURES (BVI) Ltd**
(w) Portfolio (est.) $ 0.94
**FOKUS BANK A.S. 472 428 555**
(w) Scanfonds Int'l growth fd $ 1.55
**GAIA CURRENCY HEDGE FUNDS**
(w) Gaia Hedge I $ 98.52 Red $ 97.86
(w) Gaia HedgeII $ $ 152.88 Red $ 148.32
**GAM ANLAGEFONDS AG.**
POB 164, 8034 Zurich Tel41-1-2516640
(w) GAM (CH) America SF 1144.00
(w) GAM (CH) Mondial SF 1386.00
(w) GAM (CH) Pacific SF 1768.00
**GARTMORE FUND MANAGERS INT.**
45,La Motte Street, JERSEY 0534 27301
**CAPITAL STRATEGY FD. LTD.**
(d) Sterling Deposit £ 1.026
(d) US$ Deposit $ 1.076
(d) DM Deposit DM 5.274
(d) Yen Deposit Y 519.200
(d) Sw. Fr. Deposit SF 5.274
(d) Austr.Dollar Dep. fd A$ 1.155
(d) French Franc Deposit fd FF 10.77
(d) N. American $ 1.68
(d) Japan Y 772.00
(d) Pacific Basin Y 334.00
(d) International growth $ 3.03
(d) British £ 2.40
(d) Sterling Bond £ 1.02
(d) International Bond $ 1.22
(d) Yen Convertible bond Y 3050.00
(d) European Fund DM 5.92
(d) E.C.U. Bond Fund ECU 0.96
(d) Australasian fund £ 0.37
(d) Canadian fund Cans 0.88
(d) Emerging Markets Fund £ 1.38
(d) Global Resources Fund $ 0.82
**GEFINOR FUNDS**
London:01-4994171, Geneva:41-22355530
(w) East Investment Fund $ 1078.98
(w) Scottish World Fund $ 289.6064
(w) State St. American $ 293.68
**GENERALE BANK**
(see also Interselex Group)
(d) Rentinvest $ 24.82
(d) Capital Rentinvest $ 126.19
(d) Rentinbel Distr. LF 9,786.00
(d) Rentinbel Cap. LF 10,520.00
**GLOBAL ASSET MANAGEMENT CORP.**
11 Athol St.Douglas,I. of Man.44-624-26037
(w) GAM Arbitrage Inc $ 227.18
(w) GAMerica Inc $ 235.39
(w) GAM Australia Inc. $ 143.70
(w) GAM Asean Inc $ 178.75
(w) GAM Bond Fund Inc U.S Ord. $ 107.46
(w) GAM Bond Fund Inc U.S Spe. $ 125.64
(w) GAM Boston Inc $ 214.06
(w) GAM Ermitage $ 30.32
(w) GAM Europe Fund $ 96.45
(w) GAM European Inc. $ 117.15
(w) GAM Franc-Val Inc. SF 239.17
(w) GAM France Inc FF 1507.78
(w) GAM Global Fund $ 125.99
(w) GAM High Yield Inc. $ 91.84*
(w) GAM Hong Kong Inc. $ 189.95
(w) GAM International Inc. $ 164.95
(w) GAM Japan Inc. $ 540.31
(w) GAM Money Mkts. Fund $ 100.75
(w) GAM Money Mkts. Fund £ 107.41
(w) GAM Money Mkts. Fund SF 100.86
(w) GAM Money Mkts. Fund DM 100.68
(w) GAM Money Mkts. Fund Y 10,048.00
(w) GAM Mlti-Mg Fd Inc Gen Eq $ 98.32
(w) GAM Mlti-Mg Fd Inc Alloc. $ 99.58
(w) GAM North America Fund $ 100.17
(w) GAM Pacific Basin Fund $ 139.46
(w) GAM Pacific Inc $ 552.39
(w) GAM Restr. Fd. Inc. $ 132.37*
(w) GAM Singapore/Malay Inc $ 246.60
(w) GAM Swiss Fr Spec Bond Fd SF 93.07
(w) GAM Value Inc. $ 99.37
(w) GAM Worldwide Inc $ 457.15*
(w) GAM Tyche S.A. Class A $ 175.34
(w) GAM Universal (Spain) Inc. SF 100.80
(w) GAM U.S. Inc. $ 152.54
(w) GAM Whitehorn Fund Inc. $ 142.03
(w) GAM ut Inc. $ 295.67
(w) GSAM Composite Inc. $ 219.61
(w) GAM Bond Fund Inc. SF 85.12
(w) GAM Bond Fund Inc. £ 95.96
(w) GAM Bond Fund Inc. DM 90.00
(w) GAM Bond Fund Inc. Y 11,159.00
**G.T. MANAGEMENT PLC**
(d) G.T. ASEAN Fund $ 54.84
(d) G.T. Asia Fund $ 14.71
(d) G.T. Australia Fund $ 28.77
(d) G.T. Berry Japan Fund $ 44.42
(w) G.T.Biotechn/Health Fund $ 9.89
(d) G.T. Bond Fund $ 16.21
(d) G.T. Britain Fund £ 7.88
(d) G.T. Deutschland Fund $ 14.08
(d) G.T. Dollar Fund $ 19.22
(d) G.T. Europe Fund $ 34.59
(d) G.T. Euro. Small Cos. Fund $ 35.35
(w) G.T.Global Small Cos.Fund $ 17.30
(d) G.T.Global Techno. Fd $ 17.30
(d) G.T. Hong Kong Fund $ 24.84
(d) G.T. Honshu Pathfinder $ 13.78
(d) G.T. Investment Fund $ 11.97
(w) G.T. Japan OTC Stocks Fund $ 10.06
(w) G.T. Japan Smi Co.Fd $ 16.85
(w) G.T. Korea Fund $ 7.79
(w) G.T. Nat Res. Fd Gold Class $ 7.79
(d) G.T. Newly Ind. Countr. Fd $ 32.46
(d) G.T. Select Dollar Bd Pfl $ 8.61
(d) G.T. Select Int Bd Pfl. $ 9.09
(d) G.T. Select Gilt Pfl. £ 8.04
(r) G.T. Technology Fund $ 17.30
(d) G.T. U.K. Small Companies £ 8.84
(d) G.T. Univ.Growth Fund $ 9.97
(w) G.T. U.S. Small Companies $ 12.28
**HILL SAMUEL GLOBAL PORTFOLIO**
1A rue Pierre d'Aspelt Luxembourg 1142
(d) H. S. Glbl Pftl UK Equity £ 9.44
(d) H. S. Glbl Pftl UK Sm.Co.Eq. £ 9.47
(d) H. S. Glbl Pftl N.Amer. Eq. $ 9.18
(d) H. S. Glbl Pftl US Sm.Co.Eq. $ 9.32
(d) H. S. Glbl Pftl Pac.Bas.Eq. $ 9.33
(d) H. S. Glbl Pftl Jap. Eq. Y 939.00
(d) H. S. Glbl Pftl Euro Eq. DM 9.76
(d) H. S. Glbl Pftl St.Flx.Int. £ 9.40
(d) H. S. Glbl Pftl Eu.Flx.Int. DM 9.22
(d) H. S. Glbl Pftl Glbl. Eq. $ 9.44
(d) H. S. Glbl Pftl Glbl. Bond $ 9.24
(d) H. S. Glbl Pftl Glbl. Mgd. $ 9.40
**HILL SAMUEL INVEST. MGMT. INTL S.A.**
Jersey, P.O. Box 63. Tel 0534 76029
Berne, P.O. Box 2622, Tel 4131 224051
(d) Crossbow (Far East) SF 17.51
(d) CSF (Balanced) SF 37.06
(d) European Equity Fund DM 18.40
(d) Intnl. Bond Fund $ 12.84
(d) Int. Currency U.S.Manag'd $ 27.44
(d) ITF Fd (Technology) $ 19.24
(d) O'Seas Fd (N. AMERICA) $ 50.63
(d) Int. Currency U.S. $ 26.99
**IAM, 2 Bd. Royal LUXEMBOURG**
(d) Iam Flagship Fund ECU 99.74
(w) Iam Bonds Fund-France FF 575.84
(w) Iam Bonds Fund-Deutschl DM 216.80
(w) Iam Bonds Fund-Japan Y 10,834.00
(w) Iam Bonds Fund-Switz. FS 208.01
(w) Iam Bonds Fund-U.S.A $ 112.52
(w) Iam Bonds Fund-Europe ECU 114.07
(w) Iam Bonds Fund-Netherl FL 204.32
(w) Iam Europe global ECU 102.49
(w) Iam Europe luxe ECU 103.37
(w) Iam Europe 90/10 ECU 101.59
(w) Iam Europe 1992 ECU 109.07
(w) Iam Europe du Sud ECU 107.32
**INTERSELEX GROUP**
(d) Int.America Fund $ 16.04
(d) Int.Belga Fund LF 3137.00
(d) Int.Europa Sicav LF 6493.80
(d) Int.Pacific Fund $ 1294.54
(d) Int.World Fund $ 98.60
**ISLAMIC MGMT FUND LTD** $ 1164.53
CSFB Fund Mgmt Ltd (0481-713996)
PB122 St. Peter Port,Guernsey
**JARDINE FLEMING, GPO Box 11448 Hg Kg**
(d) J.F Japan Trust Y 20,896.00
(d) J.F Pacific Sec. Trust $ 29.48
(d) J.F Pacific Income Trust $ 93.58
(d) J.F Hong Kong Trust $ 42.47
(d) J.F European $ 12.26
(d) J.F International $ 14.46
(d) J.F Gib Convertibles Trust $ 12.90
**KIDDER,PEABODY & Co.Incorporated.**
(b) Chesapeake Fund Ltd. $ 1134.27
(b) Galactica Fund Ltd. $ 919.21
(b) Stonehenge Ltd. $ 1045.12
**LLOYDS BANK PLC, POB 438, Geneva 11**
Mrs. C. Berteletti,(22) 208611/ext. 2222.
+(w) Lloyds Int'l Dollar $ 107.80
+(w) Lloyds Int'l Europe SF 188.60
+(w) Lloyds Int'l Growth SF 220.00
+(w) Lloyds Int'l Income SF 260.50
+(w) Lloyds Int'l N. America $ 156.85
+(w) Lloyds Int'l Pacific SF 229.60
+(w) Lloyds Int'l. Smaller Cos $ 16.71
**MAN INTERNATIONAL FUTURES**
(m) Alubal Mint Gtd.Fund.Ltd. $ 98.51
(m) Mint Limited - Ordinary $ 40.96
(m) Mint Limited - Income $ 14.69
(m) Mint Gtd Ltd - Spec Issue $ 20.03
(m) Mint Gtd Ltd - Series A $ 21.64
(m) Mint Gtd Ltd - Nov 1993 $ 19.25
(m) Mint Gtd Ltd - Jan 1994 $ 15.53
(m) Mint Gtd Ltd - Dec 1994 $ 13.67
(m) Mint Gtd Ltd - Aug 1995 $ 11.30
(m) Fbme Mint Gtd Plc $ 117.11
(m) Mint Sp Res Ltd (BNP) $ 104.78
(m) Newcastle Guaranteed Ltd $ 11.37
**MAGNUM FUTURES FUND LTD.**
(m) Sterling Class $ 4.81
(m) U.S Dollar Class $ 9.48
**MERRILL LYNCH**
(d) Dollar Assets Portfolio $ 1.00
(d) First Convertible Sec. Fd $ 11.53
(d) Global equity Portfolio $ 10.77
(d) Iberia portfolio $ 11.05
(d) Multi-Curr. Bond Portfolio $ 14.43
(d) U.S.A Income Portfolio $ 9.39
(d) US Federal Securities $ 9.67
(d) World Nat Res Pfl. Share A $ 11.42
(d) World Nat Res Pfl. Share B $ 11.31
**GLOBAL CURRENCY PORTFOLIOS**
(d) Australian Dollar Pfl. $ 11.38
(d) Deutschmark Portfolio DM 10.01
(d) Pound Sterling Portfolion £ 10.43
(d) US Dollar Portfolio $ 10.93
(d) Yen Portfolio Y 992.00
**MIM BRITANNIA,POB 271,St. Helier.Jersey**
(d) Amer. Inc. & Growth $ 1.298*
(d) Asia Super Growth Fund $ 14.23
(d) Dollar Man.Curr $ 14.38*
(d) Dollar Man. Port $ 2.265
(d) Gold & Prec. Metals $ 1.247
(d) Gtd. N.W. 1994 $ 8.79
(d) Intl.High Income $ 2.425*
(d) Japan Dollar Perf. Fd $ 4.319
(d) Jersey Gilt £ 0.1757
(d) Nippon Warrant Fund $ 26.76
(d) Okasan Global Strat $ 17.79
(d) Pioneer Markets £ 2.048
(d) Sterling Man.Port £ 1.837
(d) Sterling Man. Curr. £ 17.89
(d) U.K. Growth £ 1.063
**NIMARBEN**
(w) Class A $ 155.99
**NMB BANK,PO 1800,1000 BV Amsterdam.**
(w) The Brazil Fund $ 2.732
(w) NMB Dutch Fund FL 38.50
(d) NMB Real Estate Fund FL
(d) NMB Euromix Fund LF
**NOMURA INVEST BANKING (M.E) B.C.**
(d) Nomura Gulf Fund $ 11.06
**NOMURA INTL. (HONG KONG) LTD.**
(d) Nomura Jakarta Fund $ 10.33
**OBLIFLEX LIMITED**
(w) Multicurrency $ 21.30
(w) Dollar Medium Term $ 16.74
(w) Dollar Long Term $ 15.96
(w) Japanese Yen Y 24.29
(w) Pound Sterling £ 15.41
(w) Deutsche Mark DM 12.46
(w) Dutch Florin FL 12.45
(w) Dutch Florin Multi. FL 11.65
(w) HY Euro. Currencies ECU 9.89
(w) HY Euro.Curr.Divi.Pay. ECU 9.87
(w) Swiss Franc SF 10.36
(w) Swiss Franc Divi. paying SF 10.23
(w) Swiss Multicurrency SF 11.91
(w) European Currency ECU 13.71
(w) Convertibles $ 11.54
(w) French Franc F 99.76
(w) Swiss Multi-dividend SF 9.44
**PARIBAS-GROUP**
(d) Belux Fund LF 11,118.00
(d) Cortexa International $ 116.31
(d) Ecupar ECU 1,381.80
(d) Far East Growth Fund $ 145.65
(d) Luxor $ 9.39
(d) Moneyflow LF 10,128.00
(d) Parsurope Growth $ 24.14
(d) Parinter Fund $ 229.25
(d) Par US Treas. Bond 'Cl. B' $ 153.25
(d) Parisel Fund ECU 189.60
(d) Parisbar Bond Fund $ 13.51
(d) Paribas-Rente 'A' LF 1,200.00
(d) Paribas-Rente 'B' LF 1,386.00
(w) Obli-Franc FF 1,262.69
(w) Obli-DM 'A' DM 1,167.49
(w) Obli-DM 'B' DM 1,302.79
(w) Obligestion SF 82.93
(w) Obli-Dollar 'A' $ 1,120.29
(w) Obli-Dollar 'B' $ 1,313.21
(w) Obli-Yen 'A' Y 105,979.00
(w) Obli-Yen 'B' Y 115,639.00
(w) Obli-Gulden 'A' FL 956.53
(w) Obli-Gulden 'B' FL 1,096.80
(w) Parsuisse SF 1,454.92
(w) Partapan Y 3,846.00
**PERMAL GROUP**
(m) Drakkar Growth $ 2103.02
(m) EuroMir (ECU) Ltd. ECU 1066.04
(m) Media Ltd $ 1029.36
(m) Noscal Ltd $ 1336.66
(m) Special Opportunities Ltd $ 1685.30
(m) Updyke Ltd $ 272.57
(m) Value N.V. $ 2872.43
**PIERSON,HELDRING & PIERSON N.V.**
Rokin 55, 1012Kk. Amsterdam (20-5211188)
(w) Asia Pac. Growth Fd N.V. $ 40.99
(w) DP Amer. Growth Fd N.V. $ 24.48
(w) DP Energy Resources $ 46.78
(w) Europe Growth Fund N.V. FL 60.11
(w) Japan Diversified Fund $ 56.57
(w) Leveraged Cap Hold $ 329.57
(w) Tokyo Pac. Hold. N.V. $ 272.16
**PIONEER GROUP**
(d) Pioneer Fund $ 21.40
(d) Pioneer II $ 17.39
**PUTNAM**
(d) Emerging Hlth Sc. Trust $ 16.73
(w) Putnam Em. Info. Sc. Tr $ 13.59
(d) Putnam Glob. High Growth $ 12.73
(d) Putnam High Inc.GNMA Fd $ 9.47
(d) Putnam Int'l Fund $ 11.94
**ROBECO GROUP**
POB 973, Rotterdam (10-4650711)
(d) Robeco FL 102.40
(d) Rolinco FL 100.80
(d) Rorento FL 58.40
(d) Rodamco FL 79.50
**ROTHSCHILD AST.MGT.**
(w) Tokyo Pac. Hold. (Sea) $ 199.35
**ROYAL B. CANADA,POB 246,GUERNSEY**
+(w) RBC British Fund Ltd. £ 5.40
+(w) RBC Canadian Fund Ltd C$ 14.10
+(w) RBC European Fund £ 13.13
+(w) RBC Far East&Pacific Fd $ 46.77
+(w) RBC Int'l Capital Fd $ 38.29
+(w) RBC Int'l Bond Fund Ltd. $ 12.49
+(d) RBC Mon.Currency Fd $ 37.09
+(w) RBC North Amer. Fd $ 14.72
**ROYAL TRUST ASSETMIX FUND**
Lux.Tel.:(352)489061
**EQUITY FUNDS**
(d) Alpha UK £ 1.28
(d) Alpha US$ $ 1.31
(d) Alpha Worldwide SF 5.20
(d) Alpha Japanese Y 1711.00
(d) Alpha Pacific Rim $ 1.36
(d) Alpha European ECU 1.25
(d) Gold Share $ 1.30
**BOND FUNDS**
(d) Sterling Pound £ 100.49
(d) US$ Bond US$ 108.90
(d) Deutschmark Bond DM 49.14
(d) Alpha Worldwide SF 51.69
**RESERVE FUNDS**
(d) Sterling Reserve £ 11.690
(d) US$ Reserve $ 10.949
(d) Deutschmark Reserve DM 10.463
**SHEARSON LEHMAN HUTTON**
(d) Quarto Growth Fund $ 9.75
**SKANDIFOND**
**SKANDINAVISKA ENSKILDA BANKEN**
(w) Equity Intl Acc $ 12.52
(w) Equity Intl Inc $ 11.34
(d) Equity Global $ 1.21
(w) Equity Far East $ 2.00
(w) Equity Gold $ 1.00
(w) Equity Japan Y 141.00
(w) Equity Nordic $ 1.41
(d) Equity U.K. £ 1.16
(d) Equity Continental Europe $ 1.34
(d) Equity Mediterranean $ 1.17
(d) Equity North America $ 1.17
(d) Bond DEM DM 0.94
(d) Bond Intl Acc $ 8.28
(w) Bond Intl Inc $ 6.19
(d) Bond Sweden SEK 9.83
(d) Bond Dollar $ 1.02
(w) High Income Acc $ 1.10
(w) High Income Inc $ 0.95
(w) Multicurrency $ 1.1956
(d) FRF FF 1.0486
**SOCIETE GENERALE GROUP**
(w) Sogelux Fund (SF)
(w) SF Bonds A U.S.A $ 11.71
(w) SF Bonds B Germany DM 22.14
(w) SF Bonds C France FF 86.00
(w) SF Bonds D Switz. SF 29.00
(w) SF Bonds E G.B. £ 8.18
(w) SF Bonds F Japan Y 1633.00
(w) SF Bonds G Europe ECU 11.92
(w) SF Bonds H World Wide $ 12.11
(w) SF Bonds J Belgium BF 560.00
(w) SF Eq. K North America $ 11.75
(w) SF Eq. L W. Europe ECU 12.59
(w) SF Eq. M Pacific Basin YEN 1748.00
(w) SF Eq. N France FF 78.00
(w) SF Eq P Growth Countries $ 12.81
(w) SF Equities Q Gold Mines $ 12.18
(w) SF Equities R World Wide $ 12.42
(w) SF Short Term S France FF 116.95
(w) SF Short Term T Eur. ECU 11.34
**SODITIC ASSET MANAGEMENT INC.**
(w) SAM Diversified Inc. $ 104.59
**SVENSKA HANDELSBANKEN S.A.**
146 bd de la Petrusse,L-2330 Luxembourg
(b) SHB Bond Fund $ 44.23
(w) Svenska Select.Fd Intl Sh. $ 55.00
(w) Svenska Select.Fd America Sh $ 12.95
(w) Svenska Select.Fd Asia Shares $ 9.78
(w) Svenska Select.Fd Germany DM 10.23
(d) Svenska Sel.Fd Intl Bd.Sh $ 10.05
(d) Svenska Sel.Fd Nordic Shs $ 10.75
(d) Svenska Sel.Fd S/T Ass.Sh $ 10.28
**SWISS BANK CORP. (ISSUE PRICES)**
(d) AmericaValor SF 428.75
(d) AngloValor £ 190.85
(d) Asia Portfolio SF 617.82
(d) Convert Bond Selection SF 96.40
(d) Dollar Bond Selection $ 139.24
(d) D-Mark Bond Selection DM 113.56
(d) Ecu Bond Selection ECU 101.25
(d) Florin Bond Selection FL 116.55
(d) FranceValor FF 1846.95
(d) GermaniaValor DM 544.03
(d) Gold Portfolio SF 541.41
(d) ItalValor Lit 487718.00
(d) Japan Portfolio SF 389.75
(d) SBC US$ MMF $ 5918.02
(d) SBC 100 Index Fund SF 1104.00
(d) SBC Str Bond A/B SF 997.65
(d) Sterling Bond Selection £ 107.03
(d) Swiss Foreign Bond Selec SF 102.05
(d) Swissvalor SF 376.50
(d) Universal Bond Select. SF 73.50
(d) UniversalFund SF 118.42
(d) Yen Bond Selection Y 11,776.00
**TEMPLETON W.WIDE INVESTMENTS**
(d) GROWTH PORTFOLIO
(d) Class A-1 $ 10.15
(d) Class A-2 $ 10.15
(d) Class A-3 $ 10.15
(d) Class B-1 $ 10.12
(d) Class B-2 $ 10.12
(d) INCOME PORTFOLIO
(d) Class A $ 10.18
(d) Class B $ 10.15
**THORNTON MANAGEMENT LTD.**
(d) Thornton Int opps.fund $ 2.09
(d) Pacific Invt. Fd. S.A. $ 11.20
(d) Pac.Invt. Fd. SA DM 31.57
(d) Pac.Invt. Wrnts Fd.S.A. DM 17.5548
(d) Pac.Invt. Warrants Fd.S.A. £ 6.20
(d) Thornton Kangaroo Fd Ltd. $ 11.11
(d) Thornton European Fund $ 6.72
(d) Thornton HK & China $ 11.75
(d) Thornton Japan Fund Ltd $ 31.37
(d) Thornton Orient.Inc. Fd Ltd $ 24.45
(w) Thornton Phil. Redev. Fd $ 48.91
(d) Thornton Tiger Fund Ltd $ 32.42
(d) Thor.Pacific Tech.Fd Ltd $ 11.10
(d) Thor.Lilt. Dragons Fd Ltd $ 24.03
(d) Thor.Golden Opport.Fd $ 7.41
(d) Eastern Crusader Fund. $ 9.90
(w) The Global Access Fund. $ 9.49
T. Rowe Price Associates Inc.
(m) T. Rowe Price Frontier Ltd. $ 10.24
**TYNDALL INT'L GUERNSEY LTD**
Tel.0481 27963
(d) Amer Spec Sits $ 42.43
(d) Eurobond $ 29.35
(d) Mortgage C$ 13.71
(d) Overseas $ 29.56
(d) Tiger $ 43.01
(d) High Yield Bond £ 63.00
(d) Marunouchi £ 90.40
(d) Far Eastern £ 606.50
(d) Gilt £ 591.80
(d) Mgd Currency-Dollar $ 1.353
(d) Mgd Currency-Stlg £ 108.00
(d) 1992 £ 293.50
(d) Wall Street £ 234.00
(d) HI Inc Gilt & Bulldog £ 93.70
**UEBERSEEBANK, ZURICH**
(d) B-FUND SF 950.50
(d) M-FUND SF 1087.45
(d) E-FUND SF 573.51
(d) J-FUND SF 440.45
(d) M-Distribution SF 102.89
(d) UBZ Euro-Income Fund SF 10.06
**UNION BANK OF SWITZERLAND**
(d) Amca American Shrs SF 25.00*
(d) Bond-Invest SF 57.75*
(d) Brit-Invest Shares SF 764.00
(d) D-Mark-Invest Bds DM 201.50
(d) Dollar-Invest Bds $ 109.50
(d) ESPAC Spanish sh SF 197.50
(d) Eurit SF 249.50
(d) Fonsa Swiss Sh. SF 204.50
(d) Francit Shares SF 223.00
(d) Germac Shares SF 282.00
(d) Globinvest Shares SF 111.50
(d) Gold Invest Shares SF 287.50
(d) Holland-Invest Sh. SF 234.00
(d) Itac Shares SF 218.00
(d) Japan-Invest Sh. SF 1570.00
(d) Sima (stock price) SF 224.00
(d) Skandinavien-Invest SF 279.00
(d) UBS Money Mkt Inv. $ 1020.57
(d) Yen-Invest Bonds YEN 85805.00
**UNION INVESTMENT Frankfurt**
(d) Unirenta DM 35.50
(d) Unifonds DM 38.10
(d) Unirak DM 83.85
(d) Unizins DM 106.85
**THE UNIVERSAL GROUP OF FUNDS**
(d) Univers Sav Amer C$ 9.41
(d) Univers Sav Equity C$ 11.62
(d) Univers Sav Global C$ 5.59
(d) Univers Sav Pacific C$ 9.61
(d) Univers Sav Nat. Res C$ 5.92

**Other Funds**
(b) Abacus Guart.Fd.Mar.'94 $ 9.04
(r) Acticroissance $ 326.20
(d) Actifinance Intl $ 1111.71
(w) Actigestion FF 1229.19
(w) Activest Intl $ 23.09
(d) Amvabel FL 78.00
(w) Aquila International Fund $ 273.80
(b) Ariane $ 3,725.27
(d) Asia Oceania Fund $ 9.99
(m) Associated Investors Inc. $ 761.40
(m) Atlantic Fund $ 88.07
(d) Atlas Fund SF 119.55
(r) Australia Fund $ 15.91
(w) BDO Inv Fund-Ecu Bd ecu 5002.31
(d) Bero Nordon Sicav $ 154.17
(d) Bero Trust Sicav $ 128.71
(w) Bergen Int'l Fund. $ 11.99
(d) Bever Beleggingsfn++ FL 25.50
(m) Bonar Currency & Int. $ 87.20
(w) Bondselex-Issue Pr. SF 114.05
(m) J Capel guaranteed Fund $ 10.39
(w) CMI Investment Fund $ 1290.00
(d) Cash Gestion FF 9958.54
(d) CB German Index Fund DM 136.40
(m) Cleveland Offshore Fd. $ 2845.45
(w) Columbia Securities FL 106.47
(m) Commod. Gtd. Fund/USA $ 4.81
(d) Conqueror Fund Ltd $ 72.88
(w) Convert. Fd. Int'l A Certs $ 18.93
(w) Convert. Fd. Int'l B Certs $ 61.74
(w) Cumber Intl N.V. $ 229.57
(w) Daiwa Japan Fund Y 9123.00
(w) D.G.C $ 172.84
(w) DIVERSIF. BOND FUND $ 93.67
(d) D-mark-Baer Bond Fd DM 1082.88
(d) Dollar-Baer Bond Fd $ 1131.08
(d) D. Witter Wld Wide Ivt Tst. $ 25.04
(d) Dreyfus America Fund $ 16.11
(d) Dreyfus Fund Int'L $ 61.02
(w) Dreyfus Intercontinent $ 11.46
(m) Dumenil Arbitrage Fd NV $ 904.12
(d) Emperor Fund Limited $ 99.79
(w) Esprit Sicav ECU 1239.97
(w) Espirito Sto Inv M Sth Eur Fd. $ 11.97
(d) Europe Obligations ECU 73.91
(d) Europe 1992 $ 10.77
(d) Exclusive Advisors Fd Ltd $ 91.06
(m) Fatum Fund $ 1120.09
(w) Fairfield Int'l Ltd. $ 137.70
(w) Fairfield Strat. Ltd. $ 55.85
(w) First Eagle Fund $ 36,736.44
(w) F.I.T. Fund ff FF 109.81
(d) Fonditalia $ 83.40
(w) Fonselex Issue Pr. SF 190.16
(d) Forexfund Limited $ 9.58
(w) Formula Selection Fd. SF 70.02
(d) Frankl-Trust Effekten Fd DM 174.19
(d) Frankl-Trust Interzins DM 38.31
(w) Future Div.Fund $ 25,758.00
(w) George V INV. BOND F. $ 28.57
(m) German Sel. Associates DM 2280.29
(d) Green Line France FF 484.58
(w) Houssmann Hldgs. N.V. $ 289.67
(w) Hestia Funds $ 142.74
(w) Horizon Fund $ 1818.05
(w) Ibex Holdings Ltd. SF 179.18
(w) IFDC Japan Fund YEN 47464.00
(r) ILA-IGB $ 6.51
(r) ILA-IGS $ 9.97
(m) IncAmerica N.V. $ 14.35
(m) IncAsia N.V. $ 11.92
(w) Interecu Fund 'A' ECU 1016.87
(w) Interecu Fund 'B' ECU 243.03
(m) Interface Fund Ltd. $ 143.27
(d) Interfund SA $ 42.39
(w) Intermarket Fund $ 420.44
(r) Int'l Securities Fund $ 25.25
(w) Intersec SA $ 3978.74
(d) Investa DWS DM 79.18
(w) Inpremet $ 11.88
(r) Italfortune Int'l Fund SA $ 48.09
(m) Japan Selection Asses. Y 11,811.80
(w) Japan Selection Fund $ 224.74
(w) Japan Pacific Fund $ 295.02
(w) Kenmar Intl - B $ 9841.36
(w) Kleinwort Bens. Jap. Fd. $ 275.02
(d) KML-II High Yield 30/01/90 $ 684.51
(w) Korea Growth Trust $ 42.59
(w) LACO International $ 6.72
(w) Leumi Val.Francaises FF 1029.85
(w) Liberty Offshore Fund $ 96.75
(d) Lloulbaer $ 1822.00
(m) London Portfolio G'td. I. $ 98.22
(m) London Portfolio G'td. II. $ 9.02
(w) Luxfund $ 113.34
(m) Lynx Sel.Holdings SF 139.93
(m) MCM International Limited $ 127.89
(w) Moore Global Invts. Ltd. $ 1,158.27
(w) ML Mergens Lv HI Yld.Inv.NV $ 9.81
(d) Mediolanum Sel. Fd. $ 43.41
(d) NCA FUND $ 12.16
(w) Nippon Fund $ 109.00
(m) NMT Asian Sel. Portfolio $ 211.40
(w) NMT Citadel Bond SF 111.19
(m) NMT Nostec Portfolio s/a $ 11.89
(d) NM Inc. & Growth Fund $ 16.45
(d) Nomura-Cap Int Eq Fd $ 14.47
(d) Nordmix Lit 11378.00
(w) Novaeurope ECU 3015.65
(m) NSP F.I.T. $ 286.01
(m) Oppenheimer U.S.Arb. $ 122.57
(m) Overlook Performance $ 1151.23
(d) Pacific Nies Fund $ 18.44
(d) PAM Futures Trad. $ 842.46
(w) Pancurri Inc. $ 150.52
(m) Paragon Fund Limited $
(d) Preferred Capital Fund Lt. $ 85.63
(w) Prosp. I.H.Inc.P.F.26/01/90 $ 6.81
(w) Protected Perfor. Fund $ 6.72
(w) Quantum Fund N.V. $ 15,166.48
(w) Rep.(Guernsey) Dol.Inc.ld $ 9.67
(w) Samurai Portfolio SF 348.00
(d) Sanyo Kle.Spain Fd $ 10.80
(d) Sarakreek Holding n.v.++ $ 30.50
(m) Scimitar Guaranteed $ 8.62
(d) SCI/Tech. SA Luxembourg $ 19.60
(w) SP International S.A. $ 5025.97
(d) SLH Guar. F.F.I. $ 984.59
(d) Strat Int'l Gold Fund S.A. $ 6.77
(b) Stellux Fund $ 183.24
(w) Sussex Silverman $ 1096.00
(w) Techno Growth Fund SF 61.34
(d) Templeton Glob Inc. $ 9.54
(m) The Optimum Fund $ 1110.76
(m) The Petrus Fund Ltd. $ 1.73
(m) TIIC(O.T.C) Jap.td Sicav $ 16.58
(w) Transpacific Fund Y 37718.00
(w) Tudor B.VI Futures LTD $ 4606.77
(d) Turquoise Fund $ 222.60
(m) Tweedy,Browne n.v.CLA $ 3636.61
(w) Tweedy,Browne n.v.Cl.B $ 1858.97
(m) Tweedy,Browne (U.K.) n.v. $ 1434.16
(d) Valco Inv.Fund DM 69.70
(d) Unico Equity.Fund DM 62.36
(d) Uni Bond Fund ECU 1521.17
(r) Uni Capital Fund $ 1695.83
(d) Univers Bonds $ 131.81
(w) Vanderbilt Assets $ 14.28
(m) Victor Futures Fund $ 182.89
(d) Victoria Holdings Limited $ 37.24
(w) Willerbond Capital $ 14.42
(d) World Fund S.A. $ 11.79
(d) World Balanced Fund S.A. $ 12.03
(m) Zweig Int'l Ltd $ 5/5 9,250.80

AS - Australian Dollars; A$ - Austria Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lit - Italian Lira; LF - Luxembourg Francs; p-pence; Ptas - Pesetas; SF - Swiss Francs; Y-Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price incl. 3% prelim. charge; ● - Paris exchange; ++ - Amsterdam exchange; e - misquoted earlier; x-not registered with regulatory authority

Be sure that your fund is listed in this space daily. Telex Simon OSBORN at 613595F for further information.


شكرا من الاهل

# Malaysia Says Court Action May End Strike

*Compiled by Our Staff From Dispatches*

KUALA LUMPUR — Malaysia's acting Labor Minister Lee Kim Sai on Wednesday ordered plantation owners and the workers' union to resume talks to settle their dispute and threatened to use legal powers to end a nationwide strike.

"We hope they can settle the problem, otherwise we will review the situation," Mr. Lee said after his talks with estate owners and the union. About 65,000 plantation workers began a strike Wednesday.

If the two sides fail to agree soon, Mr. Lee said the government would refer the matter to the the Industrial Court.

The strike centers on a 10-year-old union demand for a monthly wage scale. Workers are now paid a daily wage of 12 ringgit ($4.40).

The 65,000 union members were reportedly joined by thousands of nonunion members.

Traders said the strike pushed up rubber prices by three cents to 2.30 ringgit. *(Reuters, AFP)*

### ■ Bangkok Port Strike

Bangkok port workers said Wednesday they will continue with their two-day-old strike until the government grants them a monopoly to run Thailand's major commercial ports, Reuters reported.

Union leaders said some 5,800 employees of the state-owned Port Authority of Thailand would stay out of work unless Prime Minister Chatichai Choonhavan gives a personal pledge forbidding private companies to operate a new port.

# *Japan's 'Rust Belt' Has a Gleam Again*

By Fred Hiatt
*Washington Post Service*

YAWATA, Japan — An orange wave of molten metal shoots down the conveyor belt, its roar reverberating through the gloom of the cavernous factory. Great metal rolling pins press and shape the molten slab. From a jet of cooling water, clouds of steam hiss toward grime-caked windows far above.

The heat and fury of this hot-sheet rolling mill date back to 1901, when Japan built its first modern steel mill here and began its drive to catch the industrial West. But this is also a choice spot to watch Japan roar into the 1990s and the millennium beyond.

Sony Handycams, Toshiba laptops and Nissan Maximas may be the emblems of today's economic boom, but Japan's true economic miracle may be in the "rust belt" that refused to rust away. Steel, shipbuilding, chemicals and other smokestack industries that were supposed to be shifted to South Korea and Taiwan, as Japanese labor costs rose and Japanese technology progressed, are healthier than ever — in part because they have become, themselves, high-tech.

When it comes to preparing for the future, Japanese business has not shied from spending. After two years of double-digit growth in capital investment, for example, it is expected to increase its spending on equipment and new facilities by more than 10 percent again. U.S. business managers, by comparison, are forecasting a 4.9 percent increase, according to the Commerce Department. In fiscal year 1989, with a smaller economy, Japan will for the first time out-invest the United States.

The results are here, at the Yawata rolling mill of Nippon Steel, the world's biggest steelmaker. A lone technician patrols the floor as the slabs roar back and forth. From a nearby building, IBM computers send instructions to the rolling machines so that each slab can be custom-shaped. Laser beams scan for flaws.

Nippon Steel has reduced its work force and its number of furnaces by one-third since the high-yen shock sent shivers through the company in 1985. But look once more: Capacity has not decreased, and nobody was fired. In a hothouse behind a scrap yard not far from the rolling mill, a former steelworker, Yasushi Nishino, is raising orchids and experimenting with biocngineering. Nearby, a former steel transport manager, Kazuhiko Suga, is overseeing the construction of Space World, a theme park taking shape on the site of a defunct blast furnace.

Throughout Japan, Nippon Steel's mills are succeeding beyond projections. The company is forecasting before-tax profits of about $1.4 billion for this fiscal year, a 25 percent increase above a very good fiscal 1988, and is expecting more good results next year, according to a spokesman, Takeshi Itagaki.

Those glowing numbers make Nippon Steel typical of Japan's seemingly unstoppable economy. Now entering its fourth boom year, the economy posted an astonishing 12.2 percent annual growth rate last quarter and should have a gain of almost 5 percent for all of fiscal 1989.

The government forecasts 4 percent growth for 1990. Most business executives and private economists consider that pessimistic.

The six top steelmakers expect to pour $4.7 billion into new plants and equipment next year, according to the Japan Economic Journal. "It's natural to invest to prepare for harsher domestic and international competition," said Nippon Steel's president, Hiroshi Saito.

But only four years ago, the same steelmakers were scrambling to wash away red ink. Shijuro Ogata, a banker, recalls that when Mr. Saito became Nippon Steel's president, his friend "was so depressed he didn't even have a party."

The yen's doubling in value had doubled the cost of steel to overseas customers. Suddenly, instead "best-quality steel at the lowest cost," Nippon Steel was producing "best-quality steel at the highest cost," Mr. Itagaki recalled.

Japan's steel production in 1986 plunged below 100 million tons (91 million metric tons) for only the second time in modern history. For the first time, Nippon Steel lost money making steel: 100 billion yen (about $697 million at today's exchange rate), Mr. Itagaki said.

But Japan's steel industry was determined not to be "hollowed out," he added.

"After all, steel is the most basic industry for any nation and had supported Japan's high growth since the war," Mr. Itagaki said. "Looking at this history, we wondered: Is it really all right to give this most basic industry to foreigners? Can they manage this properly and reliably?"

So Nippon Steel resolved to streamline ruthlessly while diversifying ambitiously. The 46,000 workers making steel would be reduced to 27,000, with 11,000 retiring and 8,000 dispatched to new businesses such as computers, bioengineering, new materials and urban development. Those enterprises, it is projected, will add about $14 billion in revenue by 1995, effectively doubling the company's business.

Even before the plan could kick in, the yen rose in value and dollar-denominated raw materials grew cheaper. Domestic demand grew in competing nations like South Korea, driving up steel's global price. Most of all, a boom in domestic consumption shouldered aside exports as the chief engine of growth.

Total steel production in Japan, having fallen to 96 million tons in 1986, will exceed 108 million in fiscal 1989. The streamlined industry makes only the highest-quality, highest-technology steel, leaving cruder production to other countries.

## Bridgestone to Pay A Bonus Dividend

*Reuters*

TOKYO — Bridgestone Corp., the Japanese tire maker, said Wednesday it would pay a bonus dividend in March.

It also forecast record parent net profit for financial 1989, in contrast to lower group results caused by interest payments on loans of $2.6 billion taken to buy Firestone Tire & Rubber Co. in 1988.

The 2.50 yen (.017 cent) bonus, paid to shareholders registered on Dec. 31, will pass on some of the record profits and sales for the year ending Dec. 31, a spokesman said.

Bridgestone expects to report in February a record parent net profit of 41 billion yen for 1989, surpassing the record of 36.15 billion yen in 1988, the spokesman said.

He said parent company sales are forecast to have been a record 699 billion yen in 1989, surpassing 1988's record of 621.42 billion.

## Malaysia Bank Buys Générale Leasing Stake

*Reuters*

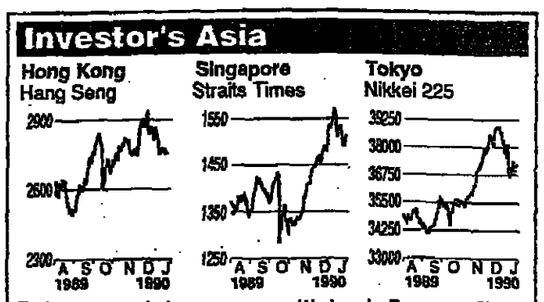
KUALA LUMPUR — A unit of Malaysia's Arab-Malaysian Merchant Bank Bhd. said Wednesday it had bought 51 percent of a wholly owned local leasing arm of the French bank Société Générale.

Arab-Malaysian Development Bhd.'s managing director, Azlan Hashim, said the concern bought 2.55 million shares of Sogelease Malaysia Bhd. for 3.57 million ringgit.

Société Générale's senior vice-president, Jean-Paul Roy, said Sogelease, Malaysia's only leasing firm to have a non-Asian foreign shareholder, expects to have 10 percent of the country's estimated 700 million ringgit annual leasing business by the end of this year.

Arab-Malaysian Merchant Bank is Malaysia's leading merchant bank and has its own leasing arm.

## Investor's Asia




| Exchange | Index | Wednesday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Hong Kong | Hang Seng | 2751.60 | 2760.80 | -0.33 |
| Singapore | Straits Times | 1515.01 | 1506.26 | +0.58 |
| Sydney | All Ordinaries | 1677.00 | 1695.80 | -1.11 |
| Tokyo | Nikkei 225 | 37188.95 | 37215.67 | -0.07 |
| Kuala Lumpur | Composite | 570.21 | 592.98 | -3.84 |
| Bangkok | Book Club | 743.07 | 750.50 | -0.99 |
| Seoul | Composite Stock | 896.16 | 888.47 | +0.87 |
| Taipei | Weighted Price | 12054.35 | 11947.01 | +0.90 |
| Manila | Composite | 1048.93 | 1063.64 | -1.38 |
| New Zealand | Barclays | 1918.10 | 1923.87 | -0.30 |
| Bombay | National Index | 380.34 | 389.93 | -2.46 |

*Sources: Datastream, Reuters, AFP* International Herald Tribune

# Manila Likely to Let the Peso Slide

*Reuters*

MANILA — The Philippine government is likely to allow a free slide of the peso against the dollar this year to keep exports competitive and shore up foreign-exchange reserves, bankers said Wednesday.

The peso fell to a record low of 22.543 to the dollar in interbank trading Tuesday, though it recovered Wednesday, to 22.180.

Finance Secretary Jesus Estanislao told reporters he favored a "competitive exchange rate" to help raise export receipts and attract foreign investment.

Mr. Estanislao ruled out any drastic devaluation, but added the government would continue to allow the peso to seek its own level even if it means a rapid slide. "If that is what is called for, we will do it but we will not intervene," he said.

U.S.-based Merrill Lynch predicted Manila might carry out a 15 percent to 20 percent devaluation in the first half of 1990.

Earlier, Mr. Estanislao told a businessmen's gathering: "A competitive exchange-rate policy can drive home the key points that exports are the way to grow (and) foreign investments are the preferred alternative to foreign debt."

Mr. Estanislao said the peso's exchange rate should be competitive with Manila's partners in the Association of South East Asian Nations.

Private economists have said that the peso is overvalued and predicted a fast slide if the currency is allowed to seek its own level against the dollar.

The Central Bank is an active participant in daily interbank foreign exchange trading and is seen as occasionally propping up the peso when the currency hits low levels.

The peso traded at 22.44 to a dollar at the end of 1989, but averaged 21.737 for 1989, against the 1988 average of 21.094.

Some economists see the incoming central bank governor, Jose Cuisia, as favoring a lower exchange rate. The outgoing governor, Jose Fernandez, backed a firm peso.

### ■ Philippine Debt Falls

Central bank statistics showed that Philippine foreign debt fell to $26.67 billion at the end of last August, its lowest level since July 1986, Reuters reported from Manila.

The latest debt level compared with $27.2 billion last July and $27.9 billion at end-August 1988. Central Bank sources said the lower debt level was because there were no significant loan disbursements.

## Jakarta Foresees 16% Export Gain

*The Associated Press*

JAKARTA — Trade Minister Arifin Siregar predicted Wednesday that Indonesia's exports would rise by 16 percent, to $22.7 billion in the current fiscal year, which ends in March.

He told a parliamentary hearing that exports were likely to increase further to $24.3 billion in the following fiscal year.

Mr. Siregar said the export increases would enable the country to reduce its debt-service ratio — the ratio of debt payments to foreign-exchange earnings — to 25 percent after five years.

President Suharto said earlier this month that Indonesia's external debt servicing would total $7 billion this year.

# CITIC's Telecom Deal Awaits Banks

*Reuters*

HONG KONG — A complex 8 billion Hong Kong dollar ($1.02 billion) loan deal to allow Beijing's China International Trust & Investment Corp. to buy a slice of Hongkong Telecommunications Ltd. could be in jeopardy if key Chinese and Hong Kong banks do not participate, bankers said.

The bankers said that Beijing's Bank of China group and Hongkong & Shanghai Banking Corp., the colony's de facto central bank, had not indicated whether they would join the loan, which CITIC wants to buy 20 percent of Hong Kong Telecom. The loan is worth the equivalent of $1.02 billion.

The Hong Kong branch of Barclays PLC, the arranger, last week invited banks in Europe, the United States, Japan and Hong Kong to join the lead managers group.

"It's impossible without the Hongkong Bank and BoC's presence in such a huge Hong Kong dollar funding," a Japanese banker said.

A local merchant banker estimated that Hongkong Bank and its affiliated Hang Seng Bank could, if they decided to join in, take about half of the total Hong Kong dollar deposit, with the BoC group taking about 20 percent.

"We have received no signal from our Beijing office to join the deal," a source from the BoC group said. The source said the local office of CITIC, China's overseas investment arm, jumped at the chance to buy into HK Telecom from Britain's Cable & Wireless PLC without the consent of the Chinese authorities concerned.

As far as Hongkong Bank was concerned, banking sources said its merchant banking arm, Wardley Ltd., indicated it would not take part in the deal after it failed to win the role of arranger to the loan.

"Wardley is different to us, so we are studying the terms," an official with Hongkong Bank said.

The package includes a 5.4 billion dollar conventional loan, a $224 million zero coupon bond and 1 billion dollars in covered warrants on 6 percent of HK Telecom shares by Morgan Stanley Group Inc. and Barclays de Zoete Wedd.

The funds will finance CITIC's 20 percent stake in Hong Kong Telecom. Dividend income on the HK Telecom stake will be used to repay the 10-year loan.

## *Honda Weighs Korean Tie-Ups*

*Reuters*

TOKYO — Honda Motor Co. is considering proposals from South Korean automobile makers for technology tie-ups, a Honda spokesman said Wednesday.

The Seoul-based Samsung Group is seeking a tie-up, according to the Japanese economic daily Nihon Keizai Shimbun, under which it would produce an annual 150,000 Honda cars such as Civics and Accords without export requirements; Daelin Motor Co. is also considering producing Accords.

The spokesman would not name the companies.

## *Australian Inflation Eases But Policy to Hold Firm*

*Compiled by Our Staff From Dispatches*

CANBERRA — Australia announced Wednesday a moderation in its inflation rate for the final quarter of 1989, but the treasurer, Paul Keating, said the figures do not provide a basis for any immediate further easing of monetary policy.

The consumer price index rose 1.9 percent in the quarter ended Dec. 31, after a 2.3 percent rise in the September quarter, the Bureau of Statistics said. For 1989 as a whole, the rate was 7.8 percent, slightly worse than 7.7 percent in 1988.

Mr. Keating welcomed the trend in the latest three months, but said, "While today's figure contributes to an improving outlook for inflation, it has no immediate implications for monetary policy."

The government last week eased policy, signaling lower interest rates; it said the move was justified by indications of slowing demand.

The consumer-price figures have underlined the government's confidence that its policy is succeeding, despite comments by some analysts that it acted prematurely, by moving before the inflation data. *(Reuters, AFP)*

# AMEX

## Wednesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

For further information

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s)
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
e — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full
yld — yield.
z — sales in full.


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W-X-Y-Z

# SPORTS

## For NBA Expansion Teams, Year Two Brings Acute Growing Pains

By David Aldridge
*Washington Post Service*

CHARLOTTE, North Carolina — Kelly Tripucka's eyes are clear. No tears now. It is late, an hour after a Charlotte Hornets of the National Basketball Association have finished their game, and he looks as if he has aged about 10 years in the last three months, so often have the boos rained down on his head.

"I think everyone's a little frustrated, and for some reason they pointed to me," he said. "They decided to take their frustrations out on one guy, which isn't fair. . . . Why did they pick out one player? That's part of the game. You have slumps. But I didn't know that was a crime."

A year ago all the Hornets were revered here. Charlotte set the pace in attendance, averaging more than 23,000 a game in its inaugural season. Fans gave the Hornets standing ovations when they were down by 19. The city threw a parade for the team the day after the season ended, on "Teal Day," referring to the color of the uniforms, designed by Alexander Julian.

Team management was so confident that an applause meter was installed over the summer. At a certain decibel level, an animated Hornet would flash and flap its wings menacingly. Everyone was worried about whether it would work.

It did.

On opening night against the Washington Bullets, the Hornet flashed and flapped.

The fans were booing. Loudly.

Times are harder, expectations higher. The Hornets, much like the second-year expansion team in Miami, are finding that the second time around is a lot tougher. Now it's Orlando and Minnesota that are reaping the first-season benefits of having spectators who ignore the warts and cheer all night long.

Tripucka has embodied the difference. Jeered by fans for a stretch of poor performances, Tripucka broke down and cried following a game last month after scoring 27 points in a reserve role. He told the fans they could boo if they liked, but they couldn't accuse Charlotte's players of not trying.

"When you get into a situation where the fans don't care about how good you're going to be," Charlotte's general manager, Carl Scheer, said, "then an organization has a tendency to accept that, be complacent about that. I think fans have a right to expect a team to get better."

"I have mixed feelings," he said, referring to what had happened to Tripucka. "On one hand fans have every right to express themselves about any player or players or the organization. . . . On the other hand I think that fans that boo the home team and players for anything less than a lack of hustle are naive and shortsighted. That's just a personal observation of what support really is."

□

Last season on an airline flight, a passenger asked the Miami Heat's assistant coach, Tony Fiorentino, which basketball team he was accompanying.

"The Miami Heat," Fiorentino said.

"How many games do you all play?"

"Eighty-two."

"Gee, that's almost a pro schedule," the passenger said.

Last year fans were forgiving. The Heat had the NBA's lowest team scoring leader in more than than 30 years. For a time Miami threatened the 1972-73 Philadelphia 76ers' all-time single-season futility mark of 9-73, before finishing 15-67.

The Hornets were 20-62, surprising veteran NBA watchers with the near-maniacal support they received.

It was common practice to muse on which expansion team did the best building job. Because the Hornets won more, the rookie-veteran mix was seen as being the best; but as the Heat's younger team improved, the pendulum swung toward Miami.

"Of course we think we did it the right way," said Lewis Schaffel, the Heat's managing general partner. "But in an objective sense. We believe in it as a philosophy. But I've said this before, there's more than one way to build a franchise. You have to do it in the way you feel most comfortable, how you're most compatible. And we believe that this is the right way for us, not that it's the right way."

Now each team has a young nucleus. Charlotte has forward-center J.R. Reid (age 21), guard Rex Chapman (22), forward Armon Gilliam (25) and guard Dell Curry (25); Miami has guard-forward Glen Rice (22), guard Sherman Douglas (23), center Rony Seikaly (24) and forward Billy Thompson (26).

**'They decided to take their frustrations *out on* one guy.'**
**Kelly Tripuka**


AP

"I think we've done a very good job educating the fans as to what to expect," Schaffel said. "We told them it was going to take time, we told them we were going with youth and we told them that we were going with the draft. . . . We know the wins will come."

None of this has translated to more victories this season. The Heat is at the bottom of the Atlantic Division, with a 9-36 record.

Said Seikaly: "Everyone's getting frustrated. Everyone's getting upset. I think this is tougher than last year. We're more talented than that."

Charlotte, which switched divisions with Miami, has to endure three trips to Salt Lake City and two each to Denver, Dallas, Houston and San Antonio in the Midwest Division. The Hornets are 8-32.

"I honestly think we're playing a lot better basketball" than last season, Miami forward Grant Long said. "The score doesn't actually tell you how we're playing, but as a unit we're playing well. We've gotten better, but the mistake we can't make is to start to judge ourselves by the wins and losses. We can get better and not necessarily win games."

"I hate playing Miami," the general manager of the Indiana Pacers, Donnie Walsh, said, "because they play great defense, play very hard. Sometimes your players look at their record and they don't get as intense, and all of a sudden you're in a close game, and you can lose those games."

Recognition is nice, but losses are losses. So how long will it take for the team to win?

"I don't want to put any numbers on it," the Miami coach, Ron Rothstein, said. "It's hard to say. If we can continue to get better, if we stay reasonably healthy, maybe in Year 3, maybe in Year 4 we can become, possibly, a playoff team, if we make reasonable progress. Is that pie in the sky? I don't know. I don't think so."

□

Schaffel says the Heat sells out every night. That's technically true: There are always 15,008 tickets sold, but, the last time the Bullets visited, Miami Arena was not close to full.

In fact the Miami Herald reported that there were perhaps 1,500 empty seats, with 350 tickets available before the game. Scalpers gave away tickets in frustration.

"We've never had anything but a sold-out game," Schaffel said. "That's not a concern right now. People buy what we're doing. . . . I think if people sat and boo all the time, then maybe we'd reassess what we're doing. But they support us. They support the program."

Just because some fans in Charlotte are distressed doesn't mean they're still not packing the Coliseum. There's still a season-ticket waiting list of a couple of thousand names.

But Kurt Rambis, the former Hornet traded to Phoenix for Gilliam, told the Charlotte Observer newspaper: "The enthusiasm, for some reason, just wasn't there (this season). It was obvious the way the team was going to go — trading for youth, letting veterans go."

It was Tripucka who felt the wrath. He was shooting 39 percent well into December and he lost his starting job. The booing got so bad he was afraid to shop in local supermarkets. Finally came the denouement. He came off the bench Dec. 28 and helped the Hornets beat the Cleveland Cavaliers. Then, on a local postgame radio show, he broke down and cried.

"I thought we were all getting a little bit of harsh treatment," Tripucka said. "We try, we want to win, we want to do well. But some nights it doesn't happen, and for some reason that was bad in the eyes of some of our fans. It shouldn't have been. It's a process we're also supposed to share. Last year we all said how fun it was. The fans took part, and the players took part. It was our team."

It was a party that ended all too soon. The luster is gone. Now, Miami and Charlotte are just two bad teams.

"Patience, obviously, is not a virtue sometimes with some of these people," Tripucka said. "We can't change any of that. No matter what we do, no matter how we look at it, we all said this was going to take four or five years — hopefully. Maybe sooner if we got lucky, but not in a year and a third."

## Little Connecticut Assumes Giant-Killer Role in the Big East

By Jack Curry
*New York Times Service*

STORRS, Connecticut — The latest fashion statement on the University of Connecticut campus is a T-shirt with the top 20 college basketball poll of The Associated Press on the front.

The scores of Connecticut's recent victories over Syracuse and Georgetown, which catapulted them into the top 20 — they now stand at No. 13 — are also emblazoned across the shirt. Connecticut, of course, is in bold print.

They do not waste time or spare the effort in the state of Connecticut when it comes to rooting for the Huskies.

At the National Hockey League game between the Hartford Whalers and the New York Islanders in Hartford last week, an odd cheer arose. It ended in moments and was modest in volume, but the lack of decibels was not important. What the fans chanted — "U-Conn! U-Conn! U-Conn!" — was.

"They were cheering for us at a hockey game?" asked Chris Smith, a sophomore guard and the team's leading scorer. "That's crazy."

Maybe so, but after the week of wonder that the Huskies had, the fan's enthusiasm was not surprising. Connecticut, which was picked to finish eighth in the Big East conference by the coaches and lost its first two games by a combined total of 38 points, recently defeated Syracuse, Georgetown and St. Johns all in a row.

But those who designed the program at Connecticut insist that magic had nothing to do with the victories over Syracuse and Georgetown, the two preseason Big East favorites.

Or with the string of six consecutive conference triumphs that the Huskies have managed, the last, against St. John's, at the new Harry A. Gampel Pavilion. The team stands 18-3 overall and 6-2 in the Big East.

This was all part of a plan, they said. It may ruin the Cinderella story, but they are telling the truth.

In 1985, a university group, the president's Task Force on Athletics, presented a report stressing academic counseling, improved facilities and creative marketing. Jim Calhoun was hired as basketball coach in 1986. Todd Turner was named athletic director one year later.

Men's basketball, which earns $1 million each year, was crucial to the plan, and the program has responded.

"There are many people in Connecticut who have been building toward a week like that one for quite some time," said Dr. John T. Casteen 3rd, the university's president. "We don't have an illusion that we're one of the best programs in the country. We're not there. Yet."

The joyous atmosphere had a sentimental edge to it earlier last month when the Huskies routed Central Connecticut State, 99-77, in the last game at Storrs Field House.

"I'm going to miss those friendly rims," said Tate George, the senior point guard.

Calhoun, who for the first time has a team filled solely with his own recruits, deftly weaves them in and out as he stomps the sidelines constantly tucking in his shirt and searching for the right combination to play the pressure defense he adores.

Nine of his players average more than 12 minutes a game. Five score in double figures. There are no stars, but plenty of youth and intensity and a frenetic defense. The Huskies average a phenomenal 14 steals per game.

"People are surprised by this, because we're so young," Calhoun said. "I'm not surprised. I said all along that we would be very good. I said that in October."

The Huskies start two freshmen, two sophomores and a senior. If pressed to select a marquee player, it would be Nadav Henefeld, a 6-foot-7 (2.01-meter) freshman forward and former soldier from Israel.

Henefeld, 21, is second in the country in steals with 4.6 per game. He also averages 11 points, six rebounds and three assists.

"I don't think Connecticut would have beaten us or Georgetown without Henefeld," said Jim Boeheim, the Syracuse coach. "He's like another senior out there."

The lone senior starter is George, who averages 11 points and five assists, is a patient orchestrator of the offense.

Smith averages 15 points and is the shooter in the back court. He sports a goatee, a head that is shaved along the sides, and a mean jump shot. He has connected on 37 of 98 from 3-point range.

Scott Burrell, a freshman who averages 9 points, usually starts at forward. Burrell spurned a $100,000 contract offer from baseball's Seattle Mariners to attend Connecticut. Rod Sellers, a sophomore center, scores 11 per game.

The recent success should inflate the annual contributions to the athletic fund. In 1987, Connecticut received $385,000 in donations. Turner projects that the total will exceed $1 million this year.

The Huskies are helped by being one of the few sports shows around. The state has one professional team, the Whalers, and Connecticut proved that it can compete with them on an off night.

Fans without tickets can learn results easily. The team is covered by 25 newspapers and a network of 11 radio stations.

Henefeld said he did not need a newspaper to know about the National Collegiate Athletic Association tournament. Connecticut is the only Big East school that has not qualified for the tournament in the last decade.

"I was at the Final Four last season and it was great," Turner said. "Wouldn't it be nice if the Huskies could live that dream?"

## Seton Hall Shooting Woeful In Loss to No. 6 Georgetown

*The Associated Press*

Mark Tillmon scored 25 points and sixth-ranked Georgetown limited Seton Hall to 26 percent shooting and just 15 field goals Tuesday in a 70-48 victory. Georgetown took a 36-18 halftime lead and never let the margin dip below 16 points the rest of the way in Landover, Maryland.

The Seton Hall starters shot a combined 12-of-48 from the field, and Frantz Volcy, who scored 16 points on 3-of-13 shooting, was the only Pirate to reach double figures. Seton Hall (10-8) missed its first 12 shots and had only one basket in the final 10 minutes of the first half.

Georgetown (16-2) scored the first seven points and after Seton Hall had fought back to within 15-12, a dunk by Alonzo Mourning and two baskets by Dikembe Mutombo ignited a 21-4 run that was capped by consecutive three-point shots by Tillmon.

**No. 13 Connecticut 94, Massachusetts 75:** Chris Smith scored 22 points and Tate George had 16 points, 12 assists and eight rebounds for Connecticut in Amherst, Massachusetts.

The Huskies (18-3) were ahead, 37-33, at halftime and then pulled away. The lead climbed to 17 points before the Minutemen got back within eight with 3:51 left. Connecticut scored the final 11 points of the game.

**COLLEGE BASKETBALL**

# BOOKS

**THE PENCIL: A History of Design and Circumstance**

*By Henry Petroski. Illustrated. 434 pages. $25. Alfred A. Knopf, 201 East 50th Street, New York, N. Y. 10022.*

Reviewed by
Christopher Lehmann-Haupt

LONG ago, when I was a college undergraduate, there were three kinds of students. There were the people majoring in the humanities, the people majoring in the sciences and the engineers. The engineers were the beings with the slide rules hanging from their belts.

That we English majors were not alone in harboring such a biased view is acknowledged by Henry Petroski, a professor of civil engineering at Duke University, in his diverting book, "The Pencil: A History of Design and Circumstance."

Petroski, who has written two previous books on engineering, "To Engineer Is Human" and "Beyond Engineering," concedes that at one end of the spectrum is the "stereotypical characterization of the engineer as one who is a 'pencil head' or 'lead head,' with no thoughts but calculations." However, he goes on to observe, at the other end of this spectrum is Henry David Thoreau. Much is known of Thoreau as the artist and individualist who withdrew into the woods and wrote "Walden." Less is known of Thoreau as the professional engineer who developed for his family's business the finest lead pencil available in mid-19th-century America.

For reasons like these — the image of the engineer as a "pencil head" and the image of the pencil as an object too humble to be remembered by engineer heads — Petroski has decided to devote his latest meditation on engineering to the pencil. "To reflect on the pencil is to reflect on engineering," he writes. "A study of the pencil is a study of engineering."

But can the point of the pencil bear the weight of a 400-page history? Not quite. The great riddle of pencil making is too easily answered. They get the lead into the pencil simply by cutting grooves into a flat slat of wood, by laying into the grooves rounded lengths of a baked mixture of graphite powder and clay, and by gluing onto this leaded slat another slat with matching grooves. The resulting lead sandwich gets sliced and sanded into a quantity of smooth hexagonal cylinders.

The history of pencil making is too easily boiled down to three events. One was the mid-16th-century discovery near Borrowdale in the Lake District of England of a deposit of graphite so extensive and rich that it proved adequate to supply the infant pencil industries of both England and the Continent. The second was the development of a substitute lead made of powdered graphite and clay by a French engineer-inventor named Nicolas-Jacques Conte, when, late in the 18th century, pure graphite became unavailable to France because of the outbreak of war with England. And the third was the mid-19th-century discovery of another rich graphite mine on a Siberian mountaintop near the border of China.

This mine replenished the supply of graphite that had declined as the Borrowdale mine ran out, although the demand for graphite from this and later discovered mines diminished as the secret of the Conte method gradually spread.

The rest of the history of pencil making all too predictably follows the phases of modern industrial development: the rationalization of the manufacturing process, the boom of war and the bust of depression, the international competition for markets, the quest for new materials, the rise of advertising and the continuing dream of a more perfect pencil.

As for the vital lesson about engineering that Petroski keeps trying to teach us through the example of the pencil, this can be summed up by any one of a dozen of his gnomic statements: "There is no such thing as pure engineering — making a perfect pencil, whether in the artifact or in the abstract — for that would be nothing but irresponsibility or mere hobby. Engineering, far from being applied science, is scientific business."

Petroski has done more than his share in filling the void of words. But, unfortunately, his words prove more than enough to make the point of "The Pencil," which, it of course pains me to say, could have stood considerable sharpening.

*Christopher Lehmann-Haupt is on the staff of The New York Times.*

# BRIDGE

By Alan Truscott

A famous tournament was revived in Britain last week after an eight year hiatus: the London Sunday Times international Paris, played at the Regents Park Hilton Hotel. On the diagramed deal Bob Goldman made a superb play that will be a strong candidate for the best defensive move of the year. He was playing with Paul Soloway and sat West, defending three no-trump after South had made an invitational jump to two no-trump. The opening lead was a heart, and South held up his ace until the third round. His prospects were not very good, but he worked out a play that was due to succeed with the actual distribution. He began by crossing to the spade king and leading the club queen. This was covered the king and ace. Since East does not have the diamond ace as an entry for his established hearts, it can be seen this was due to succeed. West scores the club jack, and South eventually takes his ninth trick in diamonds. But Goldman succeeded in deflecting the declarer. Instead of playing club nine under the ace he played the jack. As South did not have a periscope, he naturally supposed that East held both missing clubs. He therefore crossed to the spade king and finessed the club eight. He believed that he could score five club tricks and make his contract irrespective of the position of the diamond ace. But Goldman's Machiavellian defense had lured him down the garden path. The club nine won the trick, and a spade was returned. Now the last spade in the West hand was a fifth trick for the defense before South could take a diamond trick.

NORTH
♠ A K 8
♡ 7 2
◇ K Q 8
♣ Q 7 6 5 3

WEST (D)
♠ 6 4 3 2
♡ 9 8 8
◇ A 10 7 5
♣ J 9

EAST
♠ 9 7 5
♡ K Q J 5 4
◇ J 3 2
♣ K 4

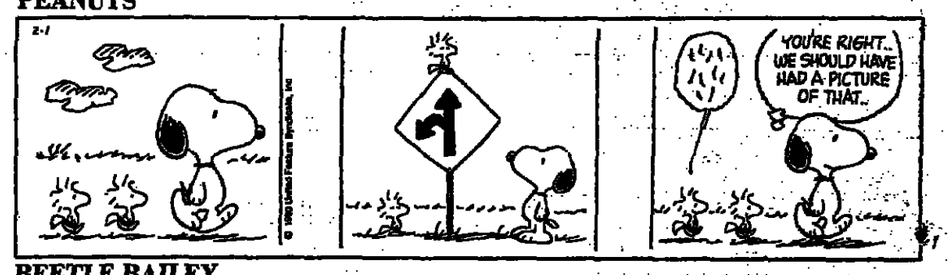
SOUTH
♠ Q J 10
♡ A 10 3
◇ 9 8 4
♣ A 10 6 2

Both sides were vulnerable. The bidding:

| North | East | South | West |
|---|---|---|---|
| 1♣ | 1♡ | 2 N.T. | Pass |
| 3 N.T. | Pass | Pass | Pass |

West led the heart nine.

**PEANUTS**




**BEETLE BAILEY**



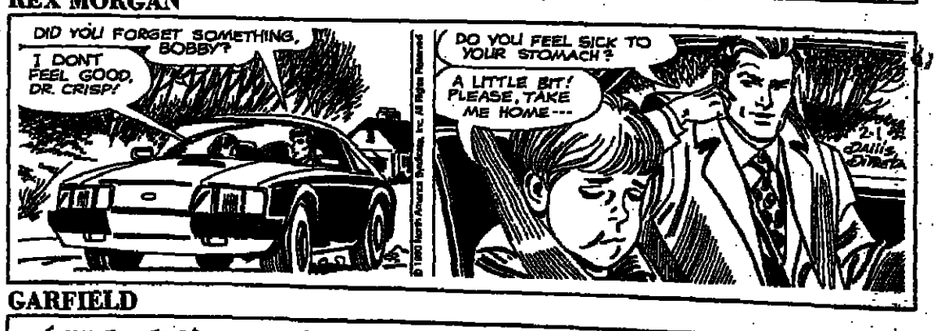

**ANDY CAPP**



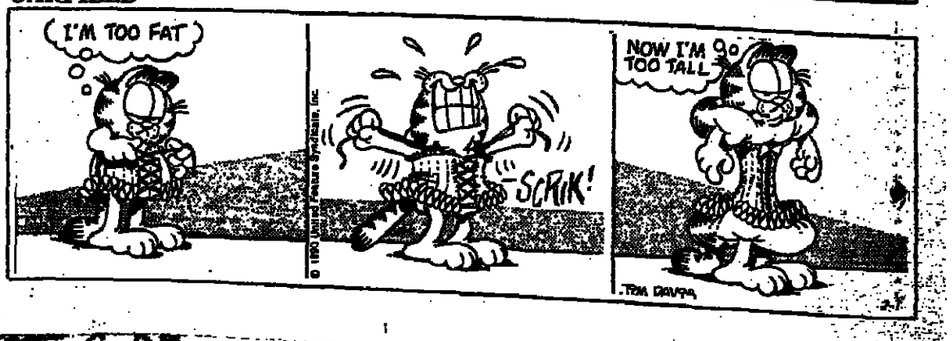

**WIZARD of ID**



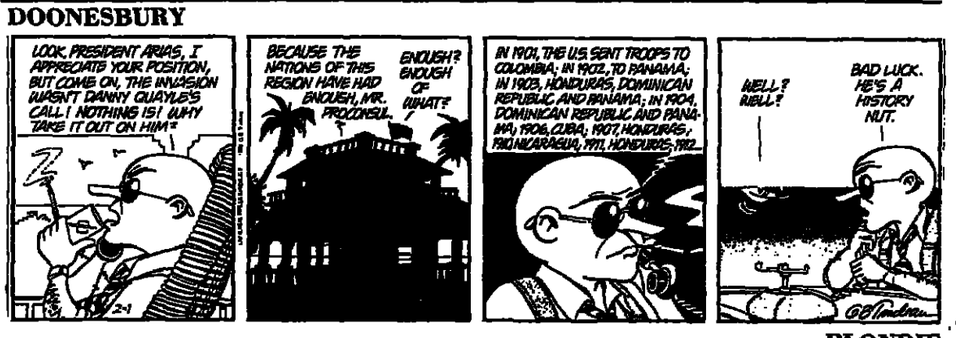

**REX MORGAN**




**GARFIELD**




**DOONESBURY**




**DENNIS THE MENACE**




"YOU'RE NOT THINKING, JOEY."

**JUMBLE®** THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

YOHEN
VARAL
LAWTUN
DIMROB



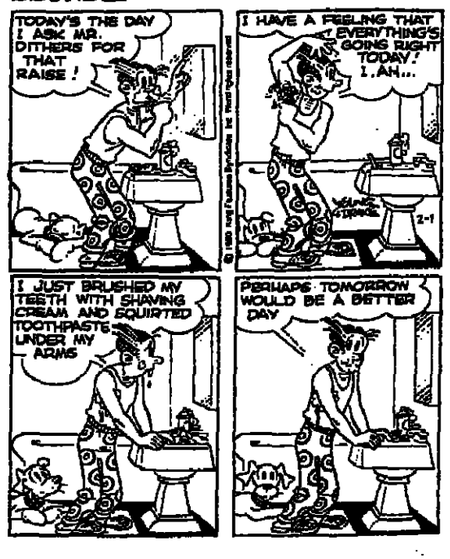

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: _____

(Answers tomorrow)

Yesterday's Jumbles: DALLY VERVE EIGHTY BEATEN
Answer: What many family problems are— ALL "RELATIVE"

**BLONDIE**



# SPORTS

## Yale Lives Up to Tradition

### Coach Keeps Alive the Spirit of Football's Beginnings

By Robert M. Thomas Jr.
*New York Times Service*

NEW YORK — If you think Ivy League colleges de-emphasize football, please don't mention that while the football coach at Yale University is interviewing a hot prospect.

Carmen L. Cozza has a hard enough time recruiting top talent, thank you, without having some of the finest young minds in the United States poisoned by such subversive nonsense.

"It is simply not accurate to say that we de-emphasize football," Cozza said the other day.

It is true that Ivy League football is not what it once was, that the league was demoted a notch to Division I-AA in the National Collegiate Athletic Association in 1982 and that it bans athletic scholarships, spring practice, post-season games and freshman eligibility.

But the way Cozza sees it, anyone who thinks that football is not taken seriously at Yale hasn't been at the Yale Bowl in New Haven, Connecticut, when Harvard comes to town; hasn't been around when an irate alumnus buttonholes the coach after a losing season, and hasn't counted the checks that come into the Yale Football Y Association (and to the Yale Alumni Fund) when the Elis clinch another Ivy championship.

And as Cozza was a bit too modest to point out, the 1,000 or so former players and other Old Blues who gathered at a black-tie dinner at the Waldorf-Astoria here Wednesday night certainly did not fly in from all over the country and pay up to $150 each because they regard Cozza's calling as a trivial pursuit.

Indeed, they gathered specifically to pay tribute to Cozza on his silver-anniversary as head coach, a 25-year stretch in which his teams have compiled a 150-78-5 record, won all or part of 10 Ivy League titles and beaten rival Princeton a satisfying 20 times.

It is a tribute to Cozza, a graduate of Miami of Ohio and later an assistant there, that he was not intimidated by Yale's football history when he took over as head coach in 1965 after two years as an assistant under John Pont.

Nobody at the dinner Wednesday night, for example, needs to be reminded that Yale, which played its first game (a 3-0 victory over Columbia) in 1872, dominated football for most of the next seven decades (the Elis had their first losing season in 1915, their second in 1938) or that it has played more games (1,052), won more of them (754) and scored more points (22,666) than any other college.

They all know that the modern game of football emerged from its rugby-like origins at Yale, that Amos Alonzo Stagg learned the game there, that Cole Porter wrote the fight song and that football traditions from the tailgate party to the practice of waving white handkerchiefs at outclassed opponents began at Yale.

Cozza says he is reminded of those traditions every time he passes under the Walter Camp



Carmen Cozza: 1965. AP

gate, a monument to the Yale player and coach who is regarded as the father of modern football.

Among other things, Camp devised the system of downs that is at the core of the game and created the all-America teams — one reason, Cozza suggests, that Yale claims more all-America selections, 117, than any school.

Yale placed at least one player on every all-America team from the first, in 1889, through 1914.

The Elis reached their high of seven all-Americans in 1900, even though the record of the 1900 team, which outscored its opponents by 336-10 in a 12-0 season, pales in comparison with the Camp-coached 1892 team (three all-Americans), which outscored 13 opponents by 435-0; pales even more in comparison with Camp's 1891 team (five all-Americans), which outscored 13 opponents by 488-0, and pales especially in comparison with Camp's first team, the pre-all-America 1888 squad, which outscored 13 opponents by 698-0.

Rather than being daunted by them, Cozza is a master at turning Yale's football traditions, especially the 75-year-old, 71,000-seat Yale Bowl, to his recruiting advantage.

Rudy Green, a Texas television executive who was captain of the 1974 team, recalled that he had been on the verge of accepting an athletic scholarship to Stanford when he was persuaded to keep an appointment with Cozza in New Haven. Stanford never had a chance.

Unlike most stadiums, whose bulk is evident from the parking lot, the scooped-out Yale Bowl is distinctly unimposing when its low surrounding earthen wall is viewed from the outside — and that much more awesome when entered from one of the long ground-level tunnels.

"I remember it was a Sunday afternoon and he took me out to the bowl," Green said. "The bowl was empty — it was just the two of us — and I was very impressed."

By the time Cozza finished his spiel, Green could hear the roar of 50,000 fans cheering for him.

Cozza, who regards recruiting as his hardest task as a coach, said that the most rewarding feature of his job was "working with all the fine young men I've coached."

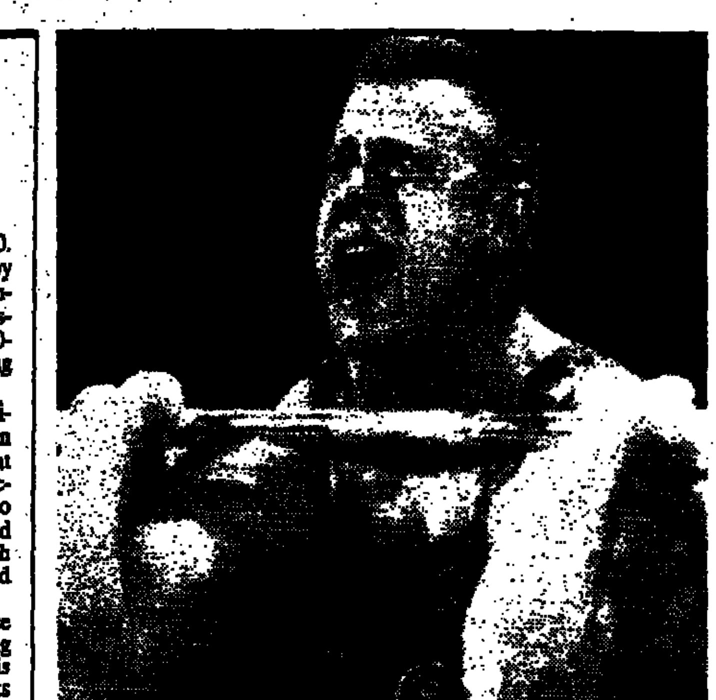
The feeling is mutual and when he travels, Cozza, who has described himself as "the best pre-law and pre-med coach in the country," never has to worry about getting sick or getting sued. "I have a doctor and a lawyer in every city," he said.

He is as proud of his three Rhodes Scholars as he is of his 19 players who made it to the professional ranks and he likes to point out that only six of his players failed to graduate.

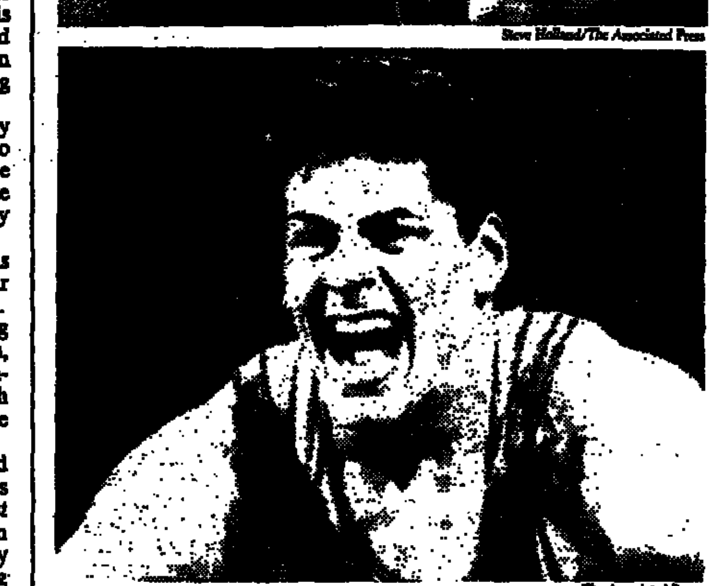
He counts Yale's victories over Air Force in 1980 and Navy in 1981 as among his biggest thrills, but his most memorable game is the one he would rather forget — the 29-29 "loss" to Harvard, which scored 16 points in the last 42 seconds to spoil Yale's otherwise perfect season in 1968.

He'd much rather think about the game against the Crimson in 1967, when "we came from behind in the last couple of minutes to win."

At the age of 59, Cozza says he has no intention of stepping down any time soon. That is hardly surprising since he still has some important unfinished business. After 25 years, his record against Harvard stands at 12-12-1.



Steve Holland/The Associated Press



The Associated Press



Agence France-Presse

TAINTED — Offenders in the doping controversy at the Commonwealth Games are weight lifters Ricky Chaplin of Wales (top) and Subrata Kumar Paul of India (bottom). Gareth Hives of Wales (middle) has been unofficially identified as a third offender.

## Doping Offenses Widen, Welsh Lifter Implicated

*The Associated Press*

AUCKLAND, New Zealand — Australian Lisa Martin made marathon history, but the Commonwealth Games were again overshadowed by drug-related revelations by weight lifters.

Organizers announced that a third athlete in as many days had failed a drug test and said they would name him on Thursday after a second urine sample had been tested.

The British news agency Press Association identified the third athlete as Gareth Hives of Wales, who won three silver medals in the 100-kilogram (220-pound) category of the weight lifting competition.

The assistant Welsh team manager, Basil George, named Hives as the offender in the Press Association report.

No Welsh official was available Wednesday to confirm the Press Association report.

The two earlier offenders also were weight lifters: Subrata Kumar Paul of India and Ricky Chaplin of Wales. They lost their medals and were sent home.

In competition, meanwhile, Martin won the women's marathon by 7 minutes, 47 seconds over her Canadian-born teammate, Tani Ruckle, who finished second. It was the biggest winning margin in women's international marathon history.

Martin destroyed the field of 15 runners, leading for every step of the 26 miles, 385 yards (42 kilometers) and posted a winning time of 2 hours, 25 minutes, 28 seconds. She broke the Commonwealth Games record of 2:26.07 she set when she won the title in Edinburgh in 1986.

Ruckle, 26, was second in 2:33.15, and England's Angie Pain was third in 2:36.35.

On the drug issue, David Dixon, secretary of the Commonwealth Games Federation, said Chaplin, who won a gold medal in the 75-kilogram weight class, and Paul, who won two silvers and a bronze in the 67.5-kilogram category, both would have their medals rescinded and had been thrown out of the Games.

Dixon said Paul's tests had shown traces of the banned anabolic steroid Nortestosterone. Chaplin was found guilty on a technicality for having higher-than-normal levels of testosterone, a naturally occurring hormone.

Dixon said the International Weightlifting Federation, the IWF, was being informed of the two cases "so that the appropriate action may be considered by that body."

The Welsh team manager, Myrddin John, said he was "saddened and distressed" by the news.

Dr. Tamas Ajan, general secretary of the IWF, said he was shocked to hear of the positive tests.

"We cannot accept this situation," Ajan said.

He said the executive board of the IWF would meet in Melbourne in March to decide what action to take and would consider whether any officials also should be punished.

In London, British athletes and officials said Wednesday that the positive drug tests showed that much more work had to be done to rid sports of doping.

"It just seems that nobody's learned the lesson," said Dean Willey, a champion weight lifter kicked off

COMMONWEALTH GAMES

the English team before the Games when he tested positive for excess levels of testosterone.

The Welsh Sports Council said that positive steroid tests of Chaplin and Hives "brings disgrace and shame to the team members who have competed honestly and fairly [and] ... reflects on the whole of the Welsh nation."

The British sports minister, Colin Moynihan, left London for Auckland on Wednesday for a Commonwealth ministers' meeting on drugs in sports and said he deeply regretted the latest incidents.

"I will continue to press vigorously for random independent testing in and out of season and not just in the competitions," Moynihan said. "This is the only way cheating through drug abuse will be stamped out."

In Wednesday's competition, an Australian taxi driver, Rob Parrella, won his nation's first-ever individual gold medal in lawn bowls, beating Mark McMahon of Hong Kong, 25-14, in the final.

Geau Tau won Papua New Guinea's first gold medal in the 60-year history of the Games by beating New Zealander Millie Khan, 25-18, in the women's final.

### ■ Star Unaware of Tragedy

Khan made her bid for the lawn bowls gold medal Wednesday unaware that her 10-week-old grandson had died only hours earlier, Agence France-Presse reported.

Relatives of the 51-year-old world championship bronze medalist decided to keep the death of the boy, Braddley, a secret until after the competition.

The baby, who had been brought to the Games Wednesday from Matamata, 150 kilometers south of Auckland, by a group of Khan's relatives and supporters, was found unconscious in a carriage at the entry gate to the stadium and died of unknown causes.

## FIFA Names World Cup Soccer Referees

*The Associated Press*

ZURICH — International soccer authorities on Wednesday named 36 veteran referees to officiate at this summer's World Cup finals, including two each from the host team Italy and from France.

FIFA, the International Soccer Federation, said it was the first time in World Cup history that it appointed more than one referee from any one country.

On the list, approved Wednesday by FIFA's Referees' Committee, were Luigi Agnolin and Tullio Lanese of Italy and Joel Quiniou and Michel Vautrot of France.

Referee assignments for first-round play will be made in early June, shortly before the tournament starts June 8, FIFA said.

The list:

EUROPE — Michel Vautrot, France; Joel Quiniou, France; Siegfried Kirschen, East Germany; Michal Listkiewicz, Poland; Kurt Roethlisberger, Switzerland; Aron Schmidhuber, West Germany; George Courtney, England; Helmut Kohl, Austria; Marcel van Langenhove, Belgium; George Smith, Scotland; Emilio Soriano Aladren, Spain; Tullio Lanese, Italy; Luigi Agnolin, Italy; Erik Frederiksson, Sweden; Alexei Spirin, Soviet Union; Zoran Petrovic, Yugoslavia; Alan Snoddy, Northern Ireland; Peter Mikkelsen, Denmark; Carlos Silva Valente, Portugal.

SOUTH AMERICA — Jose Ramiz Wright, Brazil; Juan C. Loustau, Argentina; Juan Daniel Cardellino, Uruguay; Armando Perez Hoyos, Colombia; Carlos Maciel, Paraguay; Hernan Silva, Chile; Elias Jacome, Ecuador.

AFRICA — Neji Jouini, Tunisia; Mohammed Hansal, Algeria; Jean-Fidele Diramba, Gabon.

ASIA — Jamal al-Sharif, Syria; Jassim Mandi, Bahrain; Shizuo Takada, Japan.

CONCACAF — Edgardo Codesal Mendez, Mexico; Berny Ulloa Morera, Costa Rica; Vincent Mauro, United States.

OCEANIA — Richard Lorenc, Australia.

## Absence of Becker and Edberg Puts Davis Cup in New Light

*Agence France-Presse*

PARIS — Boris Becker's apparent decision to abandon the West German ship has thrown the Davis Cup wide open this year.

The Wimbledon and U.S. Open champion carried West Germany to triumph in 1988 and 1989, but he now wants to concentrate on becoming the world's No. 1-ranked player.

Suddenly, the Dutch, West Germany's first-round opponents this weekend, must be thinking of a giant-killing act.

Paul Haarhuis lost to Becker in the first round of the Australian Open but had already made his name by beating John McEnroe in the U.S. Open last September.

German hopes will fall on the shoulders of Carl-Uwe Steeb, runner-up to Yannick Noah of France in the recent New South Wales Open, where he beat both Becker and Mats Wilander of Sweden. But Steeb's inconsistency was shown up by Veli Paloheimo of Finland at the Australian Open.

Michiel Schapers also has a reputation for upsets, so the Netherlands must be confident of its chances in the World Group first-round match on the supreme court surface in Bremen, West Germany.

A record 26 matches are being played this weekend but the most fascinating and unpredictable is likely to be Australia's match with France on the grass courts of Perth.

Noah proved he was almost back to his 1983 top form by reaching the Australian Open semifinals before falling to Ivan Lendl.

France can also count on Henri Leconte, who always thrives on grass.

The Australian captain, Neale Fraser, has named Darren Cahill, John Fitzgerald, Mark Kratzmann and Wally Masur to his four-man team but is also taking Pat Cash, the former Wimbledon champion, to Perth as a reserve.

Cash has not played a singles match since injuring his Achilles tendon in the Japan Open last April, although he and Stefan Edberg reached the doubles quarterfinals at the Australian Open.

"Pat is probably the best horse in my stable, and it is tough when you can't get him on the track," Fraser said.

"Home advantage, a sell-out crowd and grass courts should give us the edge," he said. "But I am not underestimating the French. They are a very talented bunch of players."

Sweden, winner of the Davis Cup in three of the last six years and runner-up in three of the last four, travels to Italy without Edberg. He had already asked not to be considered before injury forced him to default in the Australian Open final Sunday against Lendl.

Wilander, whose gritty victory over Becker at the Australian Open showed he had turned the corner after an unhappy 1989, will be supported in singles play by Jonas B. Svensson or Jan Gunnarsson. Anders Jarryd is likely to play an important role again in doubles.

Adriano Panatta, the former player who is now the Italian captain, knows how to get the best out of his men, and Sweden can expect a testing time on the dusty clay courts in Cagliari, on the island of Sardinia.

Paolo Cane, Omar Camporese, Claudio Pistolesi and Diego Nargiso believe they can improve on their 4-1 first-round defeat last year in Malmo, Sweden, where Massimiliano Narducci lost the deciding match to Mikael Pernfors.

New Zealand, with Kelly Evernden back near his best, appears to have the power to handle visiting Yugoslavia on grass in Christchurch. Czechoslovakia, with Miloslav Mecir back to form, looks too strong against Switzerland in Prague.

McEnroe and Michael Chang will be missing from the U.S. lineup in Carlsbad, California, where Mexico will not lack support, and the Americans suffered another blow on Monday when Aaron Krickstein pulled out with an injury.

Brad Gilbert and Jay Berger, Krickstein's last-minute replacement, face Leonardo Lavalle and Jorge Lozano. The U.S. team of Jim Pugh and Rick Leach are favored in the doubles.

Thomas Muster of Austria, back from an injury caused in a freak auto accident in Florida last year, and Horst Skoff look evenly matched against Spain's Sánchez brothers, Emilio and Javier, in Barcelona.

### Davis Cup Lineup

World Group First Round

West Germany vs. the Netherlands, Argentina vs. Israel, New Zealand vs. Yugoslavia, Australia vs. France, Czechoslovakia vs. Switzerland, United States vs. Mexico, Spain vs. Austria, Italy vs. Sweden.

American Zone Group One

Canada vs. Brazil, Uruguay vs. Chile

Asia-Oceania Zone Group One

China vs. Pakistan

Euro-African Zone Group One

Ghana vs. Portugal, Ireland vs. Romania, Nigeria vs. Finland

Asia-Oceania Zone Group Two

Jordan vs. Malaysia, Singapore vs. Chinese Taipei, Bahrain vs. Iraq, Kuwait vs. Syria

American Zone Group Two

Trinidad/Tobago vs. Haiti, Venezuela vs. Jamaica, Colombia vs. Guatemala, Dominican Republic vs. Costa Rica, Barbados vs. Bolivia

African Zone Group Two

Togo vs. Libya, Algeria vs. Egypt, Ivory Coast vs. Kenya

## SIDELINES

### North Stars May Leave Minnesota

BLOOMINGTON, Minnesota (UPI) — The owners of the Minnesota North Stars hockey team say they are prepared to fold their tent and move elsewhere, possibly to Oakland, California, unless $15 million in improvements are made to the Met Center.

Officials with the Metropolitan Sports Facilities Commission, which operates the arena, said Tuesday that the commission did not have that kind of money for renovations and did not take kindly to the threat.

### Portland Hopes to Lure NFL Team

PORTLAND, Oregon (AP) — A fund-raising drive has been launched to build a domed stadium and attract a National Football League franchise to Portland.

The nonprofit corporation TLP Inc. is seeking funds and land for a multimillion-dollar stadium to help win an NFL franchise during the league's expected expansion in the 1990s.

### No Felony Charge for Strawberry

LOS ANGELES (AP) — Darryl Strawberry, the New York Mets outfielder arrested last week following a domestic incident at his home, will not face felony charges for allegedly threatening his wife with a gun, according to the district attorney's office.

However, misdemeanor charges could still be filed against him.

Because of an erroneous report by The Associated Press, the IHT reported in some editions Wednesday that felony charges had already been filed against Strawberry.

Meanwhile, Strawberry reportedly said that a trade from the Mets might be in everyone's best interests.

"All I'm saying is it's time for me to move on," Strawberry was quoted as saying Wednesday in The National, the new sports daily. "It's simple. They have to realize it's time. I've never criticized the front office and I'm not doing that now. But if they think I'm just a pretty good player, and if they want to make changes, why not trade Strawberry?"

### For the Record

The second Tour de Trump cycling race in the United States will last a day longer, cover 200 more miles and wind through one more state than the 1989 race, organizers say. It also will offer more than $250,000 in cash and prizes, the largest cycling purse in American history. (AP)

North Carolina Central and North Carolina A&T announced that future basketball and football contests between the two colleges will be played at neutral locations. The decision was necessitated by a free-for-all during the Jan. 18 basketball game between the two schools. (AP)

Chinese athletes are using steroids and cheating because a drive to win medals has overcome an earlier emphasis on fair play, the China Daily said Wednesday, without mentioning names. (Reuters)

The Pittsburgh Pirates Wednesday signed free-agent infielder Wally Backman, a key figure on the New York Mets' National League championship teams of 1986 and 1988, to a one-year contract. (AP)

Wednesday's premier edition of The National, the only all-sports daily newspaper in the United States, contained 36 pages of editorial material and 12 of advertisements, many of them color. Among the advertisers were CBS Sports, MCI Communications, Toyota, the Trump shuttle and Nike. A weather map detailed conditions in cities where games are being held. The paper also included a gossip column and a brief listing of stocks of sports-oriented companies. (AP)

Tony Dorsett of the Denver Broncos has made it official: He is retiring after 13 seasons as an NFL running back. Dorsett, who sat out this past season with a knee injury, finishes his career as the league's No. 2 all-time rusher with 12,739 yards. (AP)

### Quotable

• Dick Motta, coach of the NBA's Sacramento Kings, on guard Danny Ainge: "Ainge hurt his back picking up a suitcase. It must have had his contract in it." (AP)

### Correction

An article published Jan. 30 about a legal settlement between the United States Golf Association and the Karsten Manufacturing Corp. misidentified the golf clubs involved. They were all Ping Eye 2 model irons, not just 2-irons.

## SCOREBOARD

### HOCKEY

#### NHL Standings

WALES CONFERENCE

Patrick Division

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| New Jersey | 24 | 23 | 5 | 53 | 201 | 204 |
| NY Islanders | 24 | 24 | 5 | 53 | 193 | 190 |
| NY Rangers | 20 | 21 | 9 | 49 | 164 | 173 |
| Pittsburgh | 22 | 25 | 4 | 48 | 206 | 227 |
| Washington | 22 | 26 | 4 | 48 | 185 | 188 |
| Philadelphia | 20 | 26 | 7 | 47 | 190 | 183 |

Adams Division

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Boston | 31 | 16 | 5 | 67 | 190 | 147 |
| Buffalo | 29 | 17 | 6 | 64 | 182 | 162 |
| Montreal | 26 | 21 | 6 | 58 | 175 | 159 |
| Hartford | 23 | 22 | 6 | 52 | 177 | 177 |
| Quebec | 9 | 35 | 6 | 24 | 161 | 245 |

CAMPBELL CONFERENCE

Norris Division

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Chicago | 28 | 19 | 4 | 60 | 207 | 187 |
| Toronto | 27 | 23 | 1 | 55 | 227 | 223 |
| St. Louis | 23 | 21 | 7 | 53 | 179 | 170 |
| Minnesota | 24 | 26 | 3 | 51 | 178 | 194 |
| Detroit | 17 | 27 | 6 | 40 | 179 | 202 |

Smythe Division

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Calgary | 25 | 15 | 13 | 63 | 220 | 175 |
| Edmonton | 26 | 16 | 10 | 62 | 207 | 172 |
| Winnipeg | 23 | 22 | 6 | 52 | 180 | 192 |
| Los Angeles | 22 | 23 | 6 | 50 | 224 | 210 |
| Vancouver | 14 | 30 | 9 | 37 | 154 | 199 |

TUESDAY'S RESULTS

St. Louis 1 0 1—2
N.Y. Islanders 0 0 1—1
Brown (10); Hull (46); Chyzowski (8). Shots on goal: St. Louis (on Healy) 10-9-5—24; New York (on Joseph) 7-10-8—25.

Edmonton 1 2 1 0—4
Hartford 3 0 1 0—4
MacTavish (15), Messier 2 (31), Kurri (26); Young (15), Andersson (12), Verbeek (26), Krygier (12). Shots on goal: Edmonton (on Sidorkiewicz) 7-4-4-1—23; Hartford (on Ranford) 11-8-9-2—31.

Philadelphia 1 3 2—6
Pittsburgh 1 1 1—3
Bullard (22), Tocchet (27), Kerr 2 (10), Murphy (8), Propp (11); Tanti 3 (19). Shots on goal: Philadelphia (on Young) 10-10-10—30; Pittsburgh (on Wregget) 11-15-12—38.

Buffalo 3 1 1—5
Quebec 0 1 1—2
Turgeon (25), Arniel (12), Housley (15), Hartman (7), Ruuttu (9); Hrkac (8), Goulet (41). Shots on goal: Buffalo (on Gordon) 11-15-11—37; Quebec (on Malarchuk) 12-10-12—34.

New Jersey 0 2 0—2
Los Angeles 1 3 1—5
Driver (6); MacLean (30); Robinson (7), Kasper (15), McSorley (10), Sandstrom 2 (21). Shots on goal: New Jersey (on Hrudey) 12-14-8—34; Los Angeles (on Burke) 7-7-8—22.

Calgary 3 1 3—7
Vancouver 2 0 0—2
Ranheim (15), Murzyn (3), Makarov (17), Gilmour (16), Nieuwendyk 2 (29), MacInnis (19); Krutov (10), Reinhart (9). Shots on goal: Calgary (on McLean) 12-8-11—31; Vancouver (on Wamsley) 11-11-7—29.

### BASKETBALL

#### NBA Standings

EASTERN CONFERENCE

Atlantic Division

| | W | L | Pct | GB |
|---|---|---|---|---|
| New York | 27 | 16 | .628 | — |
| Philadelphia | 26 | 16 | .619 | 1 |
| Boston | 25 | 16 | .610 | 1½ |
| Washington | 15 | 28 | .349 | 12½ |
| New Jersey | 12 | 31 | .279 | 15½ |
| Miami | 9 | 36 | .200 | 19½ |

Central Division

| | W | L | Pct | GB |
|---|---|---|---|---|
| Detroit | 30 | 14 | .682 | — |
| Chicago | 28 | 15 | .651 | 1½ |
| Milwaukee | 25 | 19 | .568 | 5 |
| Indiana | 23 | 20 | .535 | 6½ |
| Atlanta | 21 | 20 | .512 | 7½ |
| Cleveland | 19 | 23 | .452 | 10 |
| Orlando | 13 | 30 | .302 | 16½ |

WESTERN CONFERENCE

Midwest Division

| | W | L | Pct | GB |
|---|---|---|---|---|
| Utah | 29 | 12 | .707 | — |
| San Antonio | 28 | 13 | .683 | 1 |
| Denver | 23 | 19 | .548 | 6½ |
| Dallas | 23 | 20 | .535 | 7 |
| Houston | 20 | 22 | .476 | 9½ |
| Charlotte | 8 | 32 | .200 | 20½ |
| Minnesota | 8 | 33 | .195 | 21 |

Pacific Division

| | W | L | Pct | GB |
|---|---|---|---|---|
| L.A. Lakers | 31 | 11 | .738 | — |
| Portland | 31 | 11 | .738 | — |
| Phoenix | 25 | 16 | .610 | 5½ |
| Seattle | 19 | 21 | .475 | 11 |
| Golden State | 19 | 22 | .463 | 11½ |
| L.A. Clippers | 19 | 23 | .452 | 12 |
| Sacramento | 12 | 30 | .286 | 19 |

TUESDAY'S RESULTS

Indiana 31 30 25 25—111
Orlando 31 29 25 44—129
Miller 12-28 4-4 35, Schrempf 7-9 5-6 19; Catledge 13-19 5-7 31, Smith 9-19 4-4 22, Anderson 7-9 8-9 22. Rebounds: Indiana 47 (Person 8), Orlando 53 (Vincent 11). Assists: Indiana 23 (Fleming 9), Orlando 34 (Vincent 17).

Cleveland 25 21 30 30—106
Miami 24 23 30 17—94
J. Williams 8-11 6-14 24, Price 7-16 5-6 21; Rice 8-13 2-4 19, Seikaly 7-10 1-6 15. Rebounds: Cleveland 58 (Ehlo 12), Miami 50 (Seikaly 15). Assists: Cleveland 25 (Price 12), Miami 24 (Douglas 8).

Detroit 31 21 31 29—112
Atlanta 19 21 20 35—95
Edwards 10-20 0-1 20, Dumars 8-12 2-2 18; Wilkins 6-15 8-8 20, Willis 4-11 6-10 14. Rebounds: Detroit 59 (Dumars, Rodman 8), Atlanta 52 (Willis 12). Assists: Detroit 26 (Thomas 10), Atlanta 15 (Webb 5).

Sacramento 28 18 30 26—102
Milwaukee 25 29 24 31—109
Tisdale 15-21 1-2 31, McCray 6-14 6-6 18, Smith 7-17 3-4 18; Sikma 8-17 3-4 23, Humphries 7-15 5-8 19. Rebounds: Sacramento 42 (Tisdale 9), Milwaukee 49 (Robertson 9). Assists: Sacramento 22 (Smith 11), Milwaukee 30 (Robertson 7).

New Jersey 28 27 18 22—95
Phoenix 31 27 32 30—120
Bowie 5-11 6-6 16, Carroll 5-9 5-5 15; K. Johnson 12-21 6-7 30, Hornacek 11-19 4-5 28. Rebounds: New Jersey 57 (Bowie 8), Phoenix 54 (Hornacek 11). Assists: New Jersey 17 (Blaylock 5), Phoenix 33 (K. Johnson 14).

LA Lakers 30 32 24 18—104
LA Clippers 38 33 27 23—121
Scott 11-18 1-2 24, Worthy 6-17 7-7 19; Manning 12-20 1-2 25, Norman 9-15 4-4 22, Grant 9-19 4-6 22. Rebounds: Lakers 44 (Divac 10), Clippers 52 (Grant 11). Assists: Lakers 20 (Johnson 7), Clippers 29 (Grant 17).

Utah 15 30 31 22—98
Portland 30 27 36 29—122
Malone 11-17 7-8 30, Stockton 6-9 3-4 16; Drexler 10-13 4-4 25, Porter 7-15 8-9 24, Duckworth 9-17 6-6 24. Rebounds: Utah 45 (Malone 9), Portland 44 (Drexler 10). Assists: Utah 22 (Stockton 9), Portland 26 (Porter 10).

#### All-Star Rosters

The NBA All-Star game is to be played Feb. 11 at Miami:

EASTERN CONFERENCE

Starters

Charles Barkley, f, Philadelphia; Larry Bird, f, Boston; Patrick Ewing, c, New York; Michael Jordan, g, Chicago; Isiah Thomas, g, Detroit.

Reserves

Joe Dumars, g, Detroit; Kevin McHale, f, Boston; Reggie Miller, g, Indiana; Robert Parish, c, Boston; Scottie Pippen, f, Chicago; Dennis Rodman, f, Detroit; Dominique Wilkins, f, Atlanta.

WESTERN CONFERENCE

Starters

A.C. Green, f, Los Angeles Lakers; James Worthy, f, Los Angeles Lakers; Akeem Olajuwon, c, Houston; Magic Johnson, g, Los Angeles Lakers; John Stockton, g, Utah.

Reserves

Tom Chambers, f, Phoenix; Clyde Drexler, g, Portland; Kevin Johnson, g, Phoenix; Lafayette Lever, g, Denver; Karl Malone, f, Utah; Chris Mullin, f, Golden State; David Robinson, c, San Antonio.

#### Selected College Scores

Army 75, Niagara 70
Connecticut 94, Massachusetts 75
Georgetown 70, Seton Hall 48
Harvard 71, Dartmouth 63
Rhode Island 87, St. Bonaventure 75
Villanova 96, Providence 88
West Virginia 78, Duquesne 77
Alabama 57, Florida 44
Notre Dame 97, Dayton 79
Houston 102, Texas 93
Texas-El Paso 82, New Mexico 80

#### College Leaders

Through Jan. 29

TEAM OFFENSE

| | G | W | L | Pts. | Avg. |
|---|---|---|---|---|---|
| Loyola Marymount | 18 | 15- | 3 | 2148 | 119.3 |
| Oklahoma | 16 | 14- | 2 | 1807 | 112.9 |
| Arkansas | 19 | 17- | 2 | 1906 | 100.3 |
| Texas | 18 | 14- | 4 | 1771 | 98.4 |
| U.S. International | 21 | 9- | 12 | 2030 | 96.7 |
| Kansas | 21 | 20- | 1 | 2021 | 96.2 |
| Southern U. | 17 | 15- | 2 | 1623 | 95.5 |
| SW Louisiana | 19 | 14- | 5 | 1796 | 94.5 |
| Duke | 19 | 16- | 3 | 1775 | 93.4 |
| Centenary | 18 | 12- | 6 | 1679 | 93.3 |
| Georgia Tech | 16 | 12- | 4 | 1473 | 92.1 |
| Alabama St. | 17 | 11- | 6 | 1555 | 91.5 |
| Wright St. | 18 | 14- | 4 | 1641 | 91.2 |
| Kentucky | 18 | 9- | 9 | 1638 | 91.0 |
| LSU | 18 | 14- | 4 | 1628 | 90.4 |
| Dayton | 17 | 11- | 6 | 1530 | 90.0 |
| UNLV | 18 | 14- | 4 | 1609 | 89.4 |
| Missouri | 20 | 19- | 1 | 1785 | 89.3 |

TEAM DEFENSE

| | G | W | L | Pts. | Avg. |
|---|---|---|---|---|---|
| Princeton | 15 | 11- | 4 | 766 | 51.1 |
| Colorado St. | 20 | 15- | 5 | 1134 | 56.7 |
| Ball St. | 18 | 14- | 4 | 1044 | 58.0 |
| Wis.-Green Bay | 16 | 11- | 5 | 945 | 59.1 |
| South Carolina | 15 | 9- | 6 | 905 | 60.3 |
| Yale | 16 | 11- | 5 | 967 | 60.4 |
| Alabama | 19 | 14- | 5 | 1164 | 61.3 |
| Fairfield | 16 | 6- | 10 | 981 | 61.3 |
| Wisconsin | 20 | 11- | 9 | 1234 | 61.7 |
| Penn St. | 17 | 12- | 5 | 1049 | 61.7 |
| Temple | 17 | 10- | 7 | 1055 | 62.1 |
| Montana | 20 | 12- | 8 | 1243 | 62.2 |
| Stanford | 17 | 12- | 5 | 1059 | 62.3 |
| St. John's | 22 | 17- | 5 | 1378 | 62.6 |
| So. Methodist | 17 | 7- | 10 | 1068 | 62.8 |
| N. Illinois | 17 | 9- | 8 | 1069 | 62.9 |
| Boise St. | 19 | 8- | 11 | 1197 | 63.0 |
| Connecticut | 20 | 17- | 3 | 1265 | 63.3 |

SCORING

| | Cl | G | TFG | 3FG | FT | Pts | Avg |
|---|---|---|---|---|---|---|---|
| Kimble, LoyCl | SR | 18 | 231 | 54 | 122 | 638 | 35.4 |
| Jamerson, Ohi | SR | 18 | 198 | 90 | 103 | 589 | 32.7 |
| Brdshw, USInt | JR | 21 | 219 | 58 | 161 | 657 | 31.3 |
| Scott, GaTech | JR | 16 | 162 | 65 | 72 | 461 | 28.8 |
| Jackson, LSU | SO | 18 | 175 | 43 | 116 | 509 | 28.3 |
| Rogers, Ala St | SO | 17 | 165 | 27 | 120 | 477 | 28.1 |
| Brooks, TennSt | JR | 15 | 161 | 61 | 37 | 420 | 28.0 |
| Ford, MVSt | FR | 15 | 150 | 50 | 67 | 417 | 27.8 |
| Grider, SWLa | SR | 19 | 180 | 85 | 66 | 511 | 26.9 |
| Payton, OreSt | SR | 18 | 192 | 35 | 60 | 479 | 26.6 |

REBOUNDING

| | Cl | G | No | Avg |
|---|---|---|---|---|
| McArthur, UCSB | SR | 16 | 218 | 13.6 |
| Campbell, SW Mo | SR | 17 | 226 | 13.3 |
| Bonner, StLou | SR | 18 | 238 | 13.2 |
| Hill, XavO | sr | 17 | 224 | 13.2 |
| Coleman, Syr | SR | 18 | 231 | 12.8 |
| Weatherspoon, SMiss | SO | 18 | 220 | 12.2 |
| Cebaños, FulSt | SR | 18 | 218 | 12.1 |
| Shahid, SFla | SR | 18 | 213 | 11.8 |
| Jones, Murray | SO | 19 | 220 | 11.6 |
| Vaught, Mich | SR | 18 | 208 | 11.6 |

ASSISTS

| | CL | G | No | Avg. |
|---|---|---|---|---|
| Mitchell, SWLa | JR | 19 | 179 | 9.4 |
| Payton, OreSt | SR | 18 | 163 | 9.1 |
| Lehman, Drexel | SR | 17 | 153 | 9.0 |
| Jennings, ETenn | JR | 21 | 188 | 9.0 |
| Anderson, GaTech | FR | 16 | 137 | 8.6 |

3-POINT FIELD GOAL PCT.

| | Cl | G | 3FG | 3FGA | Pct. |
|---|---|---|---|---|---|
| Mayberry, Ark | SO | 19 | 41 | 70 | 58.6 |
| Geer, ETenn | JR | 21 | 56 | 102 | 54.9 |
| Wescoe, Laf | SR | 15 | 35 | 65 | 53.8 |
| Gueldner, Kansas | SR | 21 | 45 | 84 | 53.6 |

### TRANSACTIONS

BASEBALL

American League

CALIFORNIA—Agreed to terms with Bryan Harvey, pitcher, on one-year contract.

MILWAUKEE—Agreed to terms with Juan Nieves, pitcher, on one-year contract.

SEATTLE—Agreed to terms with Edgar Martinez, third baseman, on one-year contract.

National League

LOS ANGELES—Agreed to terms with Ray Searage, pitcher, on one-year contract.

BASKETBALL

National Basketball Association

CLEVELAND—Activated Brad Daugherty, center, from injured list. Put Paul Mokeski, center, on injured list.

HOCKEY

National Hockey League

NHL—Lifted the suspension barring Pat Quinn, Vancouver general manager, from coaching in the NHL.

COLLEGE

ARKANSAS STATE—Named Al Kincaid football coach.

JAMES MADISON—Named David M. Lombardo women's soccer coach.

LEMOYNE—Named Dick Rockwell athletic director.

MORGAN STATE—Fired Nathaniel Frazier, basketball coach, and named Nathaniel Taylor to replace him.

### SOCCER

ITALIAN CUP

Semi-Final, First Leg

Juventus 2, AS Roma 0
AC Milan 0, Napoli 0

### GAMES

#### Commonwealth Results

TRACK AND FIELD

Women's Marathon — 1. Lisa Martin, Australia, 2 hours, 25:28 seconds (Games record); 2. Tani Ruckle, Australia, 2:33:15; 3. Angela Pain, Britain, 2:36:35.

CYCLING

Men

50k — 1. Robert Burns, Australia, 81 points; 2. Craig Connell, New Zealand, 72; 3. Alistair Irvine, Northern Ireland, 39.

1,000m sprint — 1. Gary Neiwand, Australia; 2. Curtis Harnett, Canada; 3. Jon Andrews, New Zealand.

JUDO

Middleweight

Men

1. Densign White, Britain. 2. Winston Sweatman, Scotland. 3. Chris Bacon, Australia.

Women

1. Sharon Mills, Britain. 2. Karen Hayde, Canada. 3. Noreile Hall, Australia.

LAWN BOWLING

Finals

Men

Rob Parrella, Australia, def. Mark McMahon, Hong Kong, 25-14.

Women

Geau Tau, Papua New Guinea, def. Millie Khan, New Zealand, 25-18.

Medal Standings (Top 8)

| | G | S | B | T |
|---|---|---|---|---|
| Australia | 43 | 43 | 43 | 129 |
| Canada | 28 | 26 | 21 | 75 |
| England | 26 | 23 | 26 | 75 |
| India | 12 | 7 | 9 | 28 |
| New Zealand | 8 | 8 | 11 | 27 |
| Wales | 9 | 5 | 7 | 21 |
| Nigeria | 1 | 9 | 3 | 13 |
| Scotland | 1 | 4 | 5 | 10 |

## ART BUCHWALD

# Fear of Parenting

WASHINGTON — "Good morning, everyone. Welcome to TV's 'Fighting With Phil.' Today our topic of conversation is parents who are afraid of their children. We have with us Horace Plankton, Stanley Pluto, Andrea Peaches and Sally Peters, all of whom suffer from kiddophobia — the fear that their offspring will not love them.


Buchwald

"Horace, when did you first realize that you were afraid of your children?"

"When my son was 4 years old and I told him not to climb up on a ladder. He kept doing it and I screamed at him. His face turned red and he burst into tears. At that moment I said to myself, 'My God, what have I done?' I've been afraid of him ever since."

"What about you, Mr. Pluto?"

"I have always had this secret fear that if I do anything to discipline my daughter, she will reject me as a loving parent."

"And this causes you great anxiety?"

"Yes. If I ever thought that she was withholding her love from me, I wouldn't be able to sleep at night."

□

"Andrea Peaches of Great Neck, Long Island, has three sons and has been afraid of all of them since they were born. What seems to be the problem?"

"Well, Phil, I don't like to see kids sob — I never have. The minute one of my sons chokes up, I am certain that *I* have done something wrong."

"How old are they?"

"Thirty-four, 35 and 37. The one I worry about the most is my 37-year-old. When he was young he used to hide under the stairs and refuse to come out. It frightened me so much that I lowered milk and graham crackers to him so that he didn't think I was a terrible mother. He still looks hurt when he sees me."

"Stanley Pluto. What makes you fearful?"

"My son, Alan, is very sensitive and has a terrible temper. He wouldn't talk to us when we asked him to eat his oatmeal. His mother and I didn't press him because we were afraid that our relationship would never be the same."

"Sally Peters. Over the years you have suffered from your fear of children. Can you tell us what it all means?"

"My father was afraid of me when I was young. If he wouldn't let me watch television, I threatened to tie myself to the water heater. Naturally, I felt as if I had a lot of power. When my kids started growing up, I realized that they were pulling the same tricks on me as I had played on my father. I told them I wasn't buying it, so they began doing worse things like putting the baby in a shopping cart and running through the middle of the parking lot."

"Is your husband afraid of your children?"

"He's afraid of the boy — I am afraid of the girls."

□

"We will now take some telephone calls. Yes, Peoria."

"I'd like to question Mr. Pluto. My kid is 6 and I think he knows I am frightened of him because every time I tell him not to hit his brother, he does it anyhow. Is there some way of controlling this behavior without my son thinking that I don't love him?"

"It's very hard to convince a 6-year-old that you care for him after you have yelled 'no' at him several times. The first words a child learns to say are, 'You don't love me.' Most parents will cover their ears rather than hear their offspring say that."

"My question is to Mr. Plankton. Is it possible to be a good parent and not worry about whether your children love you or not?"

"In some countries it's possible — but not in America."

### Go-Ahead at Covent Garden

*The Associated Press*

LONDON — The Westminster city council has given the Royal Opera House in Covent Garden the go-ahead in principle for a modernization and redevelopment plan against the opposition of neighborhood residents and English Heritage, which looks after historic buildings. Detailed approval will be postponed until the opera house makes "significant changes" to its plans, including a 170-foot (51-meter) tower.

# In South Africa, An Alternative Black Voice

By Christoper S. Wren
*New York Times Service*

JOHANNESBURG — Between the glossy advertisements for Japanese cars, Scotch whisky, British knitwear, French-style lingerie, sparkling wines, and designer kitchens, an editorial message of black pride is being pitched to a prospering minority among South Africa's impoverished black majority.

Tribute Magazine tells its upwardly mobile black readers that for all the pain that apartheid has inflicted, they are inevitable winners and will be entrusted with the country's fate once white minority domination collapses.

The monthly magazine, now three years old, offers an upbeat contrast to the stark message of struggle packaged weekly in South Africa's alternative press.

Tribute assures blacks that they should not feel guilty about aspiring to the same affluence that whites have enjoyed for so long. "I think black people have the right to strive for good things," said Maud Motanyane, Tribute's editor.

Some foot soldiers in the war against apartheid profess suspicion of Tribute Magazine for not marching in step with the rest of the anti-apartheid press. But Chris More, one of Tribute's senior editors, remarked: "If a black person cannot see what Tribute is trying to do, they are a lost cause, because it means they cannot conceptualize their aspirations."

Tribute Magazine was launched by Greg Psillos, a Greek immigrant with a string of successful specialty magazines. Its birth on Jan. 27, 1987, after the government had suppressed two years of revolt in the country's black townships led some business observers to remark on the folly of creating a magazine for middle-class blacks.

Psillos named it Tribute because, he explained at the time, if one looked at what black South Africans "have achieved under difficult circumstances and in spite of tribulations, they deserve a tribute."

Motanyane described her target audience as "the black-middle class, the professionals, the executives between 25 and 45." There are no statistics to show how many blacks have achieved such relative affluence, though the magazine sells about 25,000 copies a month, with a peak of 32,000 last year.

Black South Africans, who make up 75 percent of the population of 37 million, seem to have more money to spend than they used to. According to Sampie J. Terreblanche, an economist at Stellenbosch University, the black share of the country's personal income rose from less than 20 percent in 1960 to 27 percent in 1987, and Terreblanche estimated that informal economic activity could push it over 30 percent.

Tribute's readers represent the small but visible number of blacks who have managed to pull themselves up with enterprise, education, and hard work. The mainstream anti-apartheid movement, with a declared preference for socialism over capitalism, tends to look down on them for having been able to prosper under a system intended to render blacks powerless.

Motanyane denies that Tribute's readers have abandoned the suffering. "Some people would regard the black middle class as not feeling the strain of apartheid that bad, but each time I have to pay taxes to a government that does nothing for me, I get angry, and I'm still taxed the same way as my white counterpart," she said.

Tribute, which is patterned after American magazines like Ebony and Black Enterprise, does not shy away from politically contentious issues. It published a long cover article on Steve Biko. It has reprinted Nelson Mandela's speech at the political trial in 1964 where he was sentenced to life imprisonment. Tribute ran an exclusive interview with his wife, Winnie Mandela, when she was accused of condoning violence by her Soweto bodyguards.

The cover of the latest issue features Govan Mbeki, a former political prisoner prominent in the African National Congress and South African Communist Party, both of which are banned here.

There are enough other articles on problems of parenthood, education, financial planning, physical fitness, travel, fashion and culture to confuse the censors at the Ministry of Home Affairs.

"By dodging and diving, we are not prone to government repression," Motanyane said. "It takes the minister three issues before he bans you and by then you are back to normal."

Tribute also profiles blacks who have succeeded against the odds, like John Kani, a leading actor, and Albert Mokoena, the chief accountant of a Johannesburg insurance company. "We do need role models," Motanyane said.

Unlike most other black publications, Tribute has not hesitated to point out where, in its view, the struggle against apartheid has gone wrong.

"We have tried to say a very unpopular thing, that we have fought battles and we have not won all of them," said More, who has been critical of the anti-apartheid movement's reliance on protest and its intolerance of dissenting views. "We have lost some battles and we should acknowledge them. The struggle seems to insist that it is a virtue to be poor and suffering. People are criticized for achieving."

More says he responds with quiet anger to charges that Tribute is not relevant to the needs of blacks. "We do not apologize for the fact that our magazine is glossy and beautiful, because as a people we are glossy and beautiful," More said. "People must not mistake our disadvantage to be our character."


Ali Kinsella/The New York Times
Maud Motanyane, editor of upbeat Tribute Magazine.

## PEOPLE

# Roger & the GM Ads

General Motors Corp. has asked its advertising agencies not to place commercials on television programs that feature Michael Moore, the director and star of the satirical documentary film "Roger & Me," an executive at one of GM's agencies says. The Hollywood Reporter said GM had asked that its ads not be run in or adjacent to an episode of Phil Donahue's syndicated talk show, which was filmed in Flint, Michigan, and featured Moore. GM has denied the report. Moore, whose movie attacks GM for shutting factories in Flint, his hometown, called the move a "pressure tactic" to discourage television talk shows and news programs from having him appear.

□

Thierry Roussel, the widower of Christina Onassis, has announced he will marry Gaby Landhage, a Swedish former model and the mother of two of his children, around Easter. Athina, 5, his daughter with Onassis, is to be the flower girl. . . . Actor Michael Keaton has filed for divorce, People magazine reported. Keaton, 38, and his wife, actress Caroline McWilliams, 44, were married seven years ago and have a 6-year-old son, Sean McWilliams starred in the film "Nearly Departed."

□

Several entertainment companies have joined forces to enlist Harold Prince, Terrence McNally, Jimmy Webb, Erica Jong, Marsha Norman and Marvin Hamlisch in a group that will create 16 musicals during the next four years. The organization, New Musicals, will present the shows at the State University of New York at Purchase, 25 miles north of New York City, and later on Broadway and at other theaters around the United States. New Musicals will have a $10 million budget to produce an initial season of four shows, the first of which will open in May. They include "Kiss of the Spider Woman," "The Secret Garden," "My Favorite Year" and "Fanny Hacksabout Jones."

□

Conductor Mstislav Rostropovich's homecoming performances in the Soviet Union next month will benefit AIDS charities. Rostropovich, whose Soviet citizenship was stripped in 1974 when he left the country but restored last month, will lead the National Symphony Orchestra in concerts Feb. 13 and 14 in Moscow and in Leningrad Feb. 15 and 16. For the first performance in Moscow, Rostropovich has chosen to conduct Tchaikovsky's Sixth Symphony, which happens to be the last piece he conducted in the Soviet Union in 1974. The proceeds from the performances will go to AIDS charities, and one show will be televised in the Soviet Union.

□

Woody Allen, Rob Reiner, Phil Alden Robinson, Oliver Stone and Peter Weir are the Directors Guild of America's nominees for 1989 directorial achievement. Allen was nominated for "Crimes and Misdemeanors," Reiner for "When Harry Met Sally . . .," Robinson for "Field of Dreams," Stone for "Born of the Fourth of July" and Weir for "Dead Poets Society." The awards will be presented March 10.

□

Friends and admirers of Ella Fitzgerald, from a 15-year-old tap dancer to trumpeter Dizzy Gillespie, will perform at an American Heart Association fund-raiser honoring the singer. The Feb. 12 show at Avery Fisher Hall in New York includes performances by tap dancer Savion Glover, George Shearing, Linda Ronstadt, Cab Calloway, André Previn, Joe Williams, Honi Coles and the Copasetics, Bobby McFerrin, Manhattan Transfer and opera diva Jessye Norman. They will be introduced by singer Lena Horne and violinist Itzhak Perlman. Proceeds will go to the Ella Fitzgerald Research Fellowship Fund.

□

Fans of the Marx Brothers queued in the rain to pack a London studio for the first public performance in almost 60 years of radio scripts written by the manic American comedy team. The scripts for "Flywheel, Shyster and Flywheel," a series about an unscrupulous lawyer, were believed lost until they were discovered a year ago by a researcher in the Library of Congress in Washington. The British Broadcasting Corporation bought exclusive performance rights. It recorded the first of the series on Tuesday night to rapturous applause from the capacity studio audience and will broadcast it later in the year.


TODAY'S CAREER OPPORTUNITIES
Appears on pages 4 & 5

DUTY FREE SHOPS

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Newly renovated shop in heart of Paris. Come in & buy all your perfumes & gifts "Duty Free" at SAVINGS OF 40%. Two blocks from "Opera". FREE GIFT with this ad. Mon-Fri, 9-6:30 10 rue Auber, Paris 9, Metro Opera.

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| BONN | 49 | (2241) | 6 60 62 |
| BREMEN | 49 | (421) | 17 08 91 |
| BRUSSELS | 32 | (2) | 720 95 63 |
| CAIRO | 34 | (561) | 85 67 44 |
| FRANKFURT | 49 | (6190) | 20 01 |
| GENEVA | 41 | (22) | 43 85 30 |
| LONDON | 44 | (1) | 961 41 41 |
| MADRID | 34 | (1) | 671 24 50 |
| MANCHESTER | 44 | (61) | 707 20 16 |
| MILAN | 39 | (2) | 415 82 41 |
| MOSCOW | 7 | (95) | 928 30 80 |
| MUNICH | 49 | (89) | 141 50 36 |
| NAPLES | 39 | (81) | 780 16 22 |
| OFFENBURG | 49 | (781) | 58267 |
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| ROME | 39 | (6) | 526 93 42 |
| VICENZA | 39 | (444) | 58 00 33 |
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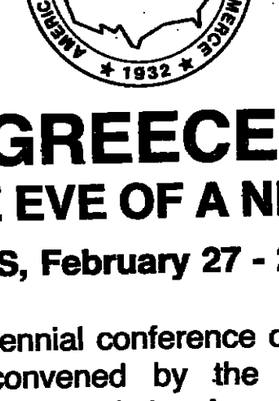
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